MT LEGISLATIVE HISTORY

Chapter 587 1987

Bill H _____ S 162 Original bill & hist. ✓C

H. Committee on Taxation

Hearing Date(s) _____ ___C
3/26 ✓C
4-6 ___C
4-8
4/9 ✓C

Date Out 4-9 ___C

S. Committee on Taxation

Hearing Date(s) _____ ___C
1/31 ✓C
2-5 ___C
2/11 ✓C

Date Out 2-11 ___C

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

4/07 SIGNED BY GOVERNOR
CHAPTER NUMBER 362 EFFECTIVE DATE: 10/01/87

SB 162 INTRODUCED BY MAZUREK
GENERAL REVISION OF PROPERTY TAX COLLECTION, DELINQUENCY, AND DEED PROCESS
BY REQUEST OF REVENUE OVERSIGHT COMMITTEE

1/20	INTRODUCED		
1/20	REFERRED TO TAXATION		
1/31	HEARING		
2/12	COMMITTEE REPORT--BILL PASSED AS AMENDED		
2/16	2ND READING PASSED AS AMENDED	50	0
2/18	3RD READING PASSED	50	0
	TRANSMITTED TO HOUSE		
2/23	REFERRED TO TAXATION		
3/26	HEARING		
4/09	COMMITTEE REPORT--BILL CONCURRED		
4/11	2ND READING CONCURRED	73	8
4/13	3RD READING CONCURRED	87	8
	RETURNED TO SENATE		
4/16	SIGNED BY PRESIDENT		
4/20	SIGNED BY SPEAKER		
4/20	TRANSMITTED TO GOVERNOR		
4/23	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 587 EFFECTIVE DATE: 4/23/87		

SB 163 INTRODUCED BY BOYLAN, LYBECK, MERCER, ET AL.
LIMITING ASSETS OF MERGED BANKS

1/21	INTRODUCED		
1/21	REFERRED TO BUSINESS & INDUSTRY		
2/03	HEARING		
2/13	COMMITTEE REPORT--BILL PASSED AS AMENDED		
2/18	2ND READING PASS MOTION FAILED	14	34
2/18	2ND READING INDEFINITELY POSTPONED	35	13

SB 164 INTRODUCED BY GAGE
REIMBURSEMENT TO DEPARTMENT OF JUSTICE FOR EMPLOYEE TIME SPENT ON SUBPOENAS
BY REQUEST OF DEPARTMENT OF JUSTICE

1/21	INTRODUCED		
1/21	REFERRED TO JUDICIARY		
1/21	FISCAL NOTE REQUESTED		
1/22	FISCAL NOTE RECEIVED		
1/30	HEARING		
2/05	COMMITTEE REPORT--BILL PASSED		
2/09	2ND READING PASSED	35	13
2/11	3RD READING PASSED	44	4
	TRANSMITTED TO HOUSE		
2/18	REFERRED TO JUDICIARY		
3/13	HEARING		
3/23	COMMITTEE REPORT--BILL CONCURRED		
3/27	2ND READING CONCURRED	86	0
3/28	3RD READING CONCURRED	87	4
	RETURNED TO SENATE		
4/01	SIGNED BY PRESIDENT		
4/02	SIGNED BY SPEAKER		

SENATE BILL NO. 162

INTRODUCED BY MAZUREK

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

IN THE SENATE

JANUARY 20, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
FEBRUARY 12, 1987	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 13, 1987	PRINTING REPORT.
FEBRUARY 16, 1987	SECOND READING, DO PASS AS AMENDED.
FEBRUARY 17, 1987	ENGROSSING REPORT.
FEBRUARY 18, 1987	THIRD READING, PASSED. AYES, 50; NOES, 0.
	TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 23, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
APRIL 9, 1987	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
APRIL 11, 1987	SECOND READING, CONCURRED IN.
APRIL 13, 1987	THIRD READING, CONCURRED IN. AYES, 87; NOES, 8.
	RETURNED TO SENATE.

IN THE SENATE

APRIL 14, 1987	RECEIVED FROM HOUSE.
	SENT TO ENROLLING.

Senate BILL NO. 162

INTRODUCED BY

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE LAWS RELATING TO PROPERTY TAX COLLECTIONS, PROPERTY TAX DELINQUENCIES, AND THE TAX DEEDING PROCESS; AMENDING SECTIONS 7-6-4414, 7-21-2104, 15-16-101, 15-16-102, 15-16-111 THROUGH 15-16-115, 15-16-117, 15-16-301 THROUGH 15-16-303, 15-16-305, 15-16-401, 15-16-402, 15-16-404, 15-16-504, 15-16-601, 15-16-701 THROUGH 15-16-704, 15-23-704, 15-24-302, 20-15-403, 76-13-211, 85-7-2152, 85-7-2154 THROUGH 85-7-2156, AND 85-7-2163, MCA; REPEALING SECTIONS 15-16-116, 15-16-501, 15-16-502, 15-16-505, 15-17-101, 15-17-102, 15-17-111 THROUGH 15-17-113, 15-17-201 THROUGH 15-17-208, 15-17-301 THROUGH 15-17-305, 15-17-311, 15-17-312, 15-17-901 THROUGH 15-17-903, 15-18-101 THROUGH 15-18-108, 15-18-201 THROUGH 15-18-205, 15-18-301 THROUGH 15-18-309, AND 15-18-401 THROUGH 15-18-404, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Definitions. Except as otherwise specifically provided, when terms mentioned in [sections 1 through 26] are used in connection with taxation, they are defined in the following manner:

(1) "Certificate" or "tax sale certificate" means the document described in [section 6].

(2) "County" means any county government and includes those classified as consolidated governments.

(3) "Property tax lien" means a lien acquired by the payment at a tax sale of all outstanding delinquent taxes, including penalties, interest, and costs.

(4) "Purchaser" means any person, other than the person to whom the property is assessed, who pays at the tax sale the delinquent taxes, including penalties, interest, and costs, and receives a certificate representing a lien on the property or who is otherwise listed as the purchaser. An assignee is a purchaser.

(5) "Tax", "taxes", or "property taxes" means all ad valorem property taxes, property assessments, fees related to property, and assessments for special improvement districts and rural special improvement districts.

(6) "Tax sale" means:

(a) with respect to real property and improvements, the offering for sale by the county treasurer of a property tax lien representing delinquent taxes, including penalties, interest, and costs; and

(b) with respect to personal property, the offering for sale by the county treasurer of personal property on

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which the taxes are delinquent or other personal property on which the delinquent taxes are a lien.

NEW SECTION. Section 2. Notice of pending tax sale. (1) The county treasurer shall publish or post a notice of pending tax sale. The notice must include:

(a) the specific time, date, and place an interest in the property on which the taxes are delinquent will be offered for sale;

(b) a statement that the delinquent taxes, including penalties, interest, and costs, are a lien upon the property and that unless the delinquent taxes, penalties, interest, and costs are paid prior to the time of the tax sale, the lien will be offered for sale at the time and place specified in subsection (1)(a).

(2) The notice required in subsection (1) must also include a statement that a list of each property on which the taxes are delinquent is on file in the office of the county treasurer and open to inspection. The list must include:

(a) the name and address of the person to whom the delinquent taxes are assessed;

(b) the amounts of the delinquent taxes, all accrued penalties, interest, and other costs; and

(c) a statement that penalties, interest, and costs will be added to delinquent taxes.

(3) The notice must be published once a week for 3 consecutive weeks in the newspaper designated for county printing as provided in 7-5-2411. If no newspaper is published in the county, the notice must be posted by the county treasurer in three public places. The notice must be first published or posted on or before the last Monday in June.

(4) Except as provided in [section 5(2)], the sale may not be held less than 21 days or more than 28 days from the date of first publication or first day the notice is posted.

(5) The sale must be held at the county courthouse.

(6) Property on which taxes are delinquent but for which proper notification was not made may not be included in the current year's notice and sale. In the event of improper notification, the sale may be held on all property properly noticed.

NEW SECTION. Section 3. Copy of notice to be filed with county clerk -- affidavit. (1) Immediately following publication or posting of the notice required in [section 2], the county treasurer shall file a copy of the notice with the county clerk. The copy must be accompanied by an affidavit signed by the county treasurer stating:

(a) the name of the newspaper and its address of publication; and

(b) the dates the notice was published.

(2) If no newspaper is published in the county, the affidavit must list the locations and date of the posting required by [section 2].

(3) The affidavit filed under subsection (1) or (2) is prima facie evidence of all the facts stated therein.

NEW SECTION. Section 4. Irregular assessment. If the county treasurer discovers, prior to the tax sale, that property on which the taxes are delinquent has been irregularly assessed, he may not offer the property or a property tax lien for sale. In such event, the taxes on the property must be listed on the assessment book as uncollected for the year in which they were due, and they must be assessed and collected during the succeeding year as taxes are regularly assessed and collected.

NEW SECTION. Section 5. Conduct of tax sale. (1) On the date and at the time and place specified in the notice, the county treasurer shall, except as provided in [section 4], begin the tax sale of all property described in the list required in [section 2(2)]. The tax sale must continue until the county treasurer declares it over, but must continue for a period of not less than 1 day. The treasurer is not required to read the list but shall make a copy of the list available for public inspection during regular business hours.

(2) The treasurer may postpone the day of commencing

the sale on a day-to-day basis without publishing a new notice, provided that the sale is held within 3 weeks from the day first fixed.

(3) Property assessed under [section 12] that has not been sold to a purchaser other than the county may, at the discretion of the county treasurer, be offered for sale at tax sales subsequent to the sale at which it was first offered.

NEW SECTION. Section 6. Tax sale certificate. (1) Upon receipt of all delinquent taxes, penalties, interest, and costs, the county treasurer shall prepare a tax sale certificate that must contain:

(a) the date on which the property taxes became delinquent;

(b) the date on which a property tax lien was sold at a tax sale;

(c) the name and address of record of the person to whom the taxes were assessed;

(d) a description of the property on which the taxes were assessed;

(e) the name and mailing address of the purchaser;

(f) the amount paid to liquidate the delinquency, including a separate listing of the amount of the delinquent taxes, penalties, interest, and costs;

(g) a statement that the certificate represents a lien

on the property that may lead to the issuance of a tax deed for the property;

(h) a statement specifying the date on which the purchaser will be entitled to a tax deed; and

(i) an identification number corresponding to the tax sale certificate number recorded by the county treasurer as required in [section 7].

(2) The certificate must be signed by the county treasurer and delivered to the purchaser. A copy of the certificate must be filed by the treasurer in the office of the county clerk.

NEW SECTION. Section 7. Treasurer to record tax sales. Prior to delivering the tax sale certificate to the purchaser, the county treasurer shall make a record of the tax sale. The record must include:

(1) the name and address of the purchaser;

(2) the date on which the tax lien was purchased;

(3) a description of the property on which the certificate is a lien, which description must correspond to the description listed on the certificate;

(4) the amount paid to liquidate the delinquency, including a separate listing of the amount of the delinquent taxes, penalties, interest, and costs; and

(5) a number identifying the tax sale certificate issued upon payment of the delinquency.

NEW SECTION. Section 8. County as purchaser -- assignment. (1) If no person pays the delinquent taxes, including penalties, interest, and costs, on the first day of the tax sale, the county is considered to be the purchaser.

(2) (a) After the 21st day following the first day of the tax sale, the county treasurer shall identify and list all property that was sold at the tax sale. He shall also record that the county is the purchaser of all property remaining unsold and upon which the taxes remain delinquent.

(b) The record of the property in which the county is listed as the purchaser may be made by the treasurer by a separate tax sale certificate of each property or by reference to the property as recorded in the list required under 15-16-301.

(3) A property tax lien of the county in any property acquired by the county under subsection (1) must be assigned by the county treasurer as provided in [section 11] upon the payment of all delinquent taxes, including penalties, interest, and costs specified in [section 11].

NEW SECTION. Section 9. Resale for nonpayment. (1) If a purchaser other than the county does not pay the delinquent taxes, including penalties, interest, and costs, before 10 a.m. on the next business day following the day of purchase at a tax sale, the property must be made

available for sale for the amount of the delinquent taxes, including penalties, interest, and costs, on the following business day of the sale, except as provided in subsection (2).

(2) If the sale was made on the last day of the tax sale and payment was not received as provided in subsection (1), the county is considered to be the purchaser as provided in [section 8].

NEW SECTION. Section 10. Disposition of money from tax sale. All money received from purchasers for delinquent taxes, penalties, interest, and costs must be deposited in the county treasury. The money received, other than costs, must be credited to the various funds to which the taxes would have originally been distributed and in the same proportion as the taxes would have originally been distributed. Any money received for costs or any money remaining after crediting the separate funds must be deposited to the credit of the county general fund.

NEW SECTION. Section 11. Assignment of rights -- form. (1) Any tax sale certificate or other official record in which the county is listed as the purchaser must be assigned by the county treasurer to any person who pays to the county the amount of the delinquent taxes, including penalties, interest, and costs, accruing from the date of delinquency.

(2) The assignment made under subsection (1) must be in the form of an assignment certificate in substantially the following form:

I, ..., the treasurer of .... County, state of Montana, hereby certify that a tax sale for tax year 19.., in the county of ...., was held on .... (date), for the purpose of liquidating delinquent assessments, and I further certify that a property tax lien for delinquent taxes in the following property: (insert property description) was offered for sale and that there was no purchaser of the property tax lien. Accordingly, the county was listed as the purchaser as required by [section 8], MCA. As of the date of this certificate, the delinquency, including penalties, interest, and costs amounting to $...., has not been liquidated by the person to whom the property was assessed, nor has the delinquency been otherwise redeemed.

There having been no liquidation of the delinquency or other redemption, I hereby assign all rights, title, and interest of the county of ...., state of Montana, acquired in such property by virtue of the sale to .... (name and address of assignee) to proceed to obtain a tax deed to the property or receive payment in case of redemption as provided by law.

Witness my hand and official seal of office this .... day of ...., 19...

..... County Treasurer

..... County

(3) An assignment made by a purchaser other than the county, by an assignee of the county, or by a previous assignee may be made for any consideration whatsoever. An assignment so made is legal and binding only upon filing with the county treasurer a statement that the purchaser's or other assignee's interest in the property has been assigned. The statement must contain:

(a) the name and address of the new assignee;

(b) the name and address of the original purchaser of the tax sale certificate;

(c) the name and address of each previous assignee, if any;

(d) a description of the property upon which the property tax lien was issued, which description must contain the same information as contained in the tax sale certificate or assignment certificate, as appropriate;

(e) the signature of the party, be it purchaser or assignee, making the assignment;

(f) the signature of the new assignee; and

(g) the date on which the statement was signed.

(4) If the certificate described in subsection (1) or the statement described in subsection (3) is lost or destroyed, the county treasurer shall, upon adequate proof

and signed affidavit by the assignee that loss or destruction has occurred, issue a duplicate certificate to the assignee.

(5) The provisions of this section apply to any sale of land for which a treasurer's deed was not issued on or before March 5, 1917, or for which a tax deed was not issued on or before [the effective date of this act], and the holder of any certificate described in subsection (1) has the same rights, powers, and privileges with regard to securing a deed as any purchaser of land at a tax sale may now have.

NEW SECTION. Section 12. Assessment of property sold at tax sale. (1) The assessment of property on which a tax sale certificate has been issued or for which the county is listed as the purchaser as provided in [section 8] continues in the same manner as other property is assessed.

(2) If any assessed taxes are not paid when due, they are delinquent.

NEW SECTION. Section 13. Sale not voided by misnomer of ownership. When a tax sale certificate is acquired as provided in [section 6] or when the county is listed as the purchaser as provided in [section 8] and the taxes were properly assessed on the property of a particular person, no misnomer of ownership or other mistake relating to ownership affects the sale or renders it void or voidable.

NEW SECTION. Section 14. Voided sale -- refund -- limitation on action for royalty interest. (1) If a tax sale held under the provisions of [sections 1 through 15] is declared void by a court for irregularity in the assessment, levy, or sale, the money paid by the purchaser at the sale or by any assignee must be refunded, with interest at the rate payable upon delinquencies as provided in 15-16-102 from the date of the payment, to the purchaser or owner of the tax sale certificate, together with any penalty paid by the purchaser.

(2) Following the payment of a refund as provided in subsection (1), the county is considered the purchaser and has a property tax lien upon the property for the legal taxes on the property accruing from the date of delinquency, plus penalties and interest as provided in 15-16-102. Any money refunded that was received as provided in [section 6] and distributed by the treasurer to the state or a city, town, or district, respectively, must be charged to the state, city, town, or district by the treasurer and deducted from the next money due the state, city, town, or district, respectively, on account of taxes paid or collected. A purchaser of a property tax lien or owner thereof by assignment where sales have been made by a city or town which by resolution or ordinance collects its own taxes instead of having the same collected by the county treasurer

must be reimbursed in similar manner and in similar circumstances out of the city or town treasury upon order of the mayor or, where applicable, the city manager or chairman of the city commission. The city or town clerk or city or town treasurer, as appropriate, shall make proper charges and deductions against the respective funds of the city or town upon the next collection of taxes by the city or town.

(3) The purchaser has a lien upon the property for the amount of taxes, penalties, interest, and costs paid, with the interest to be at the rate specified for delinquencies in 15-16-102. If the purchaser is in possession of the property and resides thereon, he may not be ejected from the property until his lien has been liquidated.

(4) All affirmative defenses at law or equity, including but not limited to estoppel, laches, and adverse possession, may apply in a suit brought to challenge the title to a royalty interest in land claimed to have been acquired by a county by tax deed.

(5) An action against a county to recover a royalty interest in land acquired by the county by tax deed must be brought within the period prescribed in 27-2-210.

NEW SECTION. Section 15. Sale of personalty for delinquent taxes -- fee -- disposition of proceeds -- unsold property. (1) The tax on personal property may be collected and payment enforced by the seizure and sale of any personal

property in the possession of the person assessed. Seizure and sale are authorized at any time after the date the taxes become delinquent or by the institution of a civil action for its collection in any court of competent jurisdiction. A resort to one method does not bar the right to resort to any other method. Any of the methods provided may be used until the full amount of the tax is collected.

(2) The provisions of 15-16-113 and this section apply to a seizure and sale under subsection (1).

(3) A sale under subsection (1) must be at public auction. The minimum bid for any property offered for sale must be of a sufficient amount to pay the delinquent taxes, including penalties, interest, and costs.

(4) For seizing and selling personal property, the treasurer shall charge $25, plus the mileage allowance provided by law to the sheriff, plus reasonable expenses for seizing, handling, keeping, or caring for any property so seized. The charge and other costs may only be charged when property is actually seized and offered for sale or sold.

(5) On payment of the price bid for any property sold as provided in this section, delivery of the property, with a bill of sale, vests the title of the property in the purchaser.

(6) (a) All money collected from the sale of property in liquidation of the delinquency, including delinquent

taxes, penalties, and interest, but not costs, must be credited by the treasurer to the appropriate funds.

(b) Any money collected in excess of the delinquent tax penalties and interest must be returned to the person owning the property prior to the sale, if known. If the person does not claim the excess immediately following the sale, the treasurer shall deposit the money in the county treasury for a period of 1 year from the date of sale. If the person has not claimed the excess within 1 year from the date of sale, the county treasurer shall deposit the amount in the county general fund and the person has no claim to it thereafter.

(7) Any property seized for the purpose of liquidating a delinquency by a tax sale that remains unsold following a sale may be left at the place of sale at the risk of the owner.

NEW SECTION. Section 16. Time for redemption -- interested party. (1) Redemption of a property tax lien acquired at a tax sale or otherwise may be made by the owner, the holder of an unrecorded or improperly recorded security interest, the occupant of the property, or any interested party within 36 months from the date of the first day of the tax sale or within 60 days following the giving of the notice required in [section 21], whichever is later.

(2) For the purposes of [sections 16 through 26], an

"interested party" includes a mortgagee, holder of a contract for deed, lienholder, or other person who has a properly perfected security interest in the property duly recorded with the county clerk. A person having an interest in property on which there is a property tax lien but which interest is not properly recorded is not an interested party for the purposes of [sections 16 through 26].

NEW SECTION. Section 17. Redemption from property tax lien. In all cases where a property tax lien has been acquired, the purchaser may pay the subsequent taxes assessed against the property. Upon the redemption of the property from the property tax lien, the redemptioner shall, in addition to the amount for which the property tax lien was sold, including penalties, interest, and costs, pay the subsequent taxes paid by the purchaser with interest thereon, at the rate established for delinquent taxes in 15-16-102, from the date of the payment of the taxes, penalties, interest, and costs.

NEW SECTION. Section 18. Treasurer to record redemptions. Upon payment of all delinquent taxes, including penalties, interest, and costs, by the person to whom taxes were assessed or his agent to the county treasurer and refunded to the person listed as purchaser as provided in [section 6(1)(e)], [section 7], or [section 8] or distributed as provided in [section 19], the word

"redeemed", the date, and the name of the redemptioner must be marked on the tax sale certificate or in the record required in [section 8] by the county treasurer.

NEW SECTION. Section 19. Distribution of redemption proceeds. (1) When a property tax lien for which the county is listed as purchaser is redeemed, the money received from the redemption, including penalties and interest but not costs, must be distributed to the credit of the various funds to which the taxes would have originally been distributed and in the same proportion as the taxes would have originally been distributed.

(2) (a) When a property tax lien for which the recorded purchaser is other than the county is redeemed, the money received from the redemption, including penalties and interest but not costs, must be distributed to the person listed as the purchaser on the tax sale certificate and in the record kept by the county treasurer.

(b) (i) The distribution must be made by certified mail by the county treasurer to the purchaser at the address listed on the tax sale certificate as provided in [section 6(1)(e)].

(ii) If the money distributed to the purchaser is returned unopened to the county treasurer, the treasurer shall publish once a week for 2 consecutive weeks in the official newspaper of the county a notice stating that:

(A) the county treasurer is in possession of money belonging to the purchaser for the redemption of the delinquency on the property named in the tax sale certificate;

(B) the money will be held by the county treasurer for a period of 1 year from the date of publication; and

(C) if the money is not claimed by the purchaser within the 1-year period, the purchaser relinquishes all claim to the money and the money will be credited to the county general fund.

(3) The publication required in subsection (2)(b)(ii) must be made at least annually, but the 1-year period described in subsection (2)(b)(ii)(B) may not begin until the date of publication.

(4) The county treasurer shall keep an accurate account of all money paid in redemption, including a separate accounting of other delinquent taxes, interest, penalties, and costs, and when and to whom distributed.

NEW SECTION. Section 20. Tax deed -- fee. (1) Except as provided in subsection (3), if the property tax lien is not redeemed in the time allowed under [section 16], the county treasurer shall grant the purchaser a tax deed for the property. The deed must contain the same information as is required in a tax sale certificate under [section 6], except the description of the property must be the full

legal description, and a statement that the property tax lien was not redeemed during the redemption period provided in [section 16].

(2) (a) Except as provided in subsection (2)(b), the county treasurer shall charge the purchaser $25 plus all actual costs incurred by the county in giving the notice or assisting another purchaser or assignee in giving the notice required in [section 21] for making the deed, which fee must be deposited in the county general fund.

(b) If the purchaser is the county, no fee may be charged for making the deed.

(c) Reasonable costs incurred by the county in searching the county records to identify persons entitled to notice are considered part of the actual costs of the notice provided in subsection (2)(a).

(3) If the purchaser is the county and no assignment has been made, the county treasurer may not issue a tax deed to the county unless the board of county commissioners, by resolution, directs him to issue a tax deed.

(4) Deeds issued to purchasers must be recorded by the county clerk as provided in Title 7, chapter 4, part 26, except that when the county is the purchaser and subsequent tax deed holder, the county clerk may not charge a fee for recording the deed.

NEW SECTION. Section 21. Notice -- proof of notice --

penalty for failure to notify. (1) Not more than 60 days prior to and not more than 60 days following the expiration of the redemption period provided in [section 16], a notice must be given as follows:

(a) for each property for which there has been issued to the county a tax sale certificate or for which the county is otherwise listed as the purchaser or assignee, the county clerk shall notify all persons considered interested parties in the property and the current occupant of the property, if any, that a tax deed may be issued to the county unless the property tax lien is redeemed prior to the expiration date of the redemption period; or

(b) for each property for which there has been issued a tax sale certificate to a purchaser other than the county, or for which an assignment has been made, the purchaser or assignee, as appropriate, shall notify all persons considered interested parties in the property, if any, that a tax deed will be issued to the purchaser or assignee unless the property tax lien is redeemed prior to the expiration date of the redemption period.

(2) If the county is the purchaser, no assignment has been made, and the board of county commissioners has not directed the county treasurer to issue a tax deed during the period described in subsection (1), but the board of county commissioners at a time subsequent to the period described

in subsection (1) does direct the county treasurer to issue a tax deed, the county treasurer must provide notification to all interested parties and the current occupant, if any, in the manner provided in subsection (1)(a). The notification required under this subsection must be made not less than 60 days or more than 90 days prior to the date on which the county treasurer will issue the tax deed.

(3) (a) If a purchaser other than the county or an assignee fails or neglects to give notice as required by subsection (1)(b), which failure or neglect is evidenced by failure of the purchaser or assignee to file proof of notice with the county clerk as required in subsection (7), the county treasurer shall proceed to give notice in the manner provided in subsection (1)(a).

(b) Notice given under this subsection (3) must be given not less than 60 days or more than 90 days prior to the date on which the county treasurer will issue the tax deed.

(c) A purchaser or assignee who fails to give notice as required by subsection (1)(b), thereby forcing notification to be given under this subsection (3), must be charged a penalty of $500 plus all actual costs of notification incurred by the county proceeding under this subsection (3).

(4) The notice required under subsections (1) through

(3) must be made by certified mail to each interested party and the current occupant, if any, of the property. The address to which the notice must be sent is, for each interested party, the address disclosed by the records in the office of the county clerk and, for the occupant, the street address or other known address of the subject property.

(5) In all cases in which the address of an interested party is not known, the county clerk shall, within the period described in subsection (1), or not less than 60 days or more than 90 days prior to the date upon which the county treasurer will otherwise issue a tax deed, whichever is appropriate, publish once a week for 2 successive weeks in the official newspaper of the county or such other newspaper as the board of county commissioners may by resolution designate, a notice containing the information contained in subsection (6), plus:

(a) the name of the interested party for whom the address is unknown;

(b) a statement that the address of the interested party is unknown;

(c) a statement that the published notice meets the legal requirements for notice of a pending tax deed issuance; and

(d) a statement that the interested party's rights in

the property may be in jeopardy.

(6) The notices required by subsections (1) through (3) and (5) must contain the following:

(a) a statement that a property tax lien exists on the property as a result of a property tax delinquency;

(b) a description of the property on which the taxes are or were delinquent, which description must be the same as the description of the property on the tax sale certificate or in the record described in [section 8(2)(b)];

(c) the date that the property taxes became delinquent;

(d) the date that the property tax lien attached as the result of a tax sale;

(e) the amount of taxes due, including penalties, interest, and costs, as of the date of the notice of pending tax deed issuance, which amount must include a separate listing of the delinquent taxes, penalties, interest, and costs that must be paid for the property tax lien to be liquidated;

(f) the name and address of the purchaser;

(g) the name of the assignee if an assignment was made as provided in [section 11];

(h) the date that the redemption period expires or expired;

(i) a statement that if all taxes, penalties,

interest, and costs are not paid to the county treasurer on or prior to the date on which the redemption period expires or on or prior to the date on which the county treasurer will otherwise issue a tax deed that a tax deed may be issued to the purchaser on the day following the date on which the redemption period expires or on the date on which the county treasurer will otherwise issue a tax deed; and

(j) the business address and telephone number of the county treasurer who is responsible for issuing the tax deed.

(7) In all cases, proof of notice in whatever manner given must be filed by the county clerk, purchaser, or assignee, as appropriate, with the county clerk not less than 30 days following the mailing or publication of the notice. Once filed, the proof of notice is prima facie evidence of the sufficiency of the notice.

(8) A county or any officer of a county may not be held liable for any error of notification.

NEW SECTION. Section 22. Form of tax deed -- prima facie evidence. (1) The form of a tax deed issued under the provisions of [sections 16 through 26], executed by a county treasurer, must be made in substance as follows:

This deed is made by .... (name of county treasurer), county treasurer of the county of .... (name of county), in the state of Montana, to .... (name of purchaser, his agent,

or assignee), as provided by the laws of the state of Montana:

Whereas, there was assessed for .... (year) the following real property: (description of the property); and

Whereas, the taxes for .... (year) levied against the property amounted to $....; and

Whereas, the taxes were not paid and a property tax lien for the payment of the taxes attached and was sold to .... (name of purchaser, his agent, or assignee) on .... (date, including year) for the sum of $...., which amount included delinquent taxes in the amount of $...., penalties in the amount of $...., interest in the amount of $...., and other costs in the amount of $....; and

Whereas, a tax sale certificate was duly issued and filed or the sale otherwise recorded as required by law; and

Whereas, not less than 60 days or more than 90 days prior to this date, notice was given to interested parties that the issuance of a tax deed was pending.

Now, therefore, I, ... (treasurer's name), county treasurer of the county of ...., in the state of Montana, in consideration of the sum of $.... paid, hereby grant to .... (name of purchaser, his agent, or assignee) all the property situated in .... County, state of Montana, described herein above.

Witness my hand on this date .... (date, including

year).

..... County Treasurer

..... County

(2) A tax deed executed in substantially the form provided in subsection (1) is prima facie evidence that:

(a) the property was assessed as required by law;

(b) the taxes were levied in accordance with law;

(c) the taxes were not paid when due;

(d) notice of tax sale was given and a property tax lien was sold at the proper time and place as provided by law;

(e) the property was not redeemed, and proper notice of a pending tax deed issuance was made as required by law;

(f) the person who executed the deed was legally authorized to do so; and

(g) if the real property was sold to pay delinquent taxes on personal property, the real property belonged to the person liable to pay the personal property tax.

NEW SECTION. Section 23. Effect of deed. (1) A deed issued under [sections 16 through 26] conveys to the grantee absolute title to the property described therein as of the date of the expiration of the redemption period, free of all encumbrances and clear of any and all claims, except:

(a) when the claim is payable after the execution of the deed and:

(i) a property tax lien attaches subsequent to the tax sale; or

(ii) a lien of any special, rural, local improvement, irrigation, or drainage assessment is levied against the property;

(b) when the claim is an easement by a utility; or

(c) when an interest in the land is owned by the United States, this state, or a subdivision of this state.

(2) Under the conditions described in subsection (1), the deed is prima facie evidence of the right of possession accrued as of the date of expiration of the period for redemption or the date upon which a tax deed was otherwise issued.

NEW SECTION. Section 24. Action to quiet title to tax deed -- notice. (1) (a) In an action brought to set aside or annul any tax deed or to determine the rights of a purchaser to real property claimed to have been acquired through tax proceedings or a tax sale, the purchaser, upon filing an affidavit, may obtain from the court an order directed to the person claiming to:

(i) own the property;

(ii) have any interest in or lien upon the property;

(iii) have a right to redeem the property; or

(iv) have rights hostile to the tax title.

(b) The person described in subsections (1)(a)(i)

through (1)(a)(iv) is hereafter referred to as the true owner.

(c) The order described in subsection (1)(a) may command the true owner to:

(i) deposit with the court for the use of the purchaser:

(A) the amount of all taxes, interest, penalties, and costs that would have accrued if the property had been regularly and legally assessed and taxed as the property of the true owner and was about to be redeemed by the true owner; and

(B) the amount of all sums reasonably paid by the purchaser following the order and after 3 years from the date of the tax sale to preserve the property or to make improvements thereon while in the purchaser's possession, as the total amount of the taxes, interest, penalties, costs, and improvements is alleged by the plaintiff and as must appear in the order; or

(ii) show cause on a date to be fixed in the order, not exceeding 30 days from the date of the order, why such payment should not be made.

(2) The affidavit must list the name and address of the true owner and whether he is in the state of Montana, if known to the plaintiff, or state that the address of the true owner is not known to the plaintiff.

(3) (a) The order must be filed with the county clerk and a copy served personally upon each person shown in the affidavit claiming to be a true owner and who is, at that time, known to be in the state of Montana.

(b) Jurisdiction is acquired over all other persons by:

(i) publishing the order once in the official newspaper of the county;

(ii) posting the order in three public places in the county at least 10 days prior to the hearing; and

(iii) giving a copy to the county treasurer.

NEW SECTION. Section 25. Procedure in tax deed quiet title action. (1) Upon the hearing of the order to show cause, the court has jurisdiction to determine the amount to be deposited and to make an order that the same be paid to the court within a period not exceeding 30 days after the order is made.

(2) (a) Except as provided in subsection (2)(b), if the amount is not paid within the time fixed by the court, the true owner is considered to have waived any defects in the tax proceedings and any right of redemption. In the event of waiver, the true owner has no claim of any kind against the state or purchaser and a decree must be entered in the action quieting the title of the purchaser as against the true owner.

(b) The proceedings are void if the taxes were not delinquent or have been paid.

(3) If payment is made to the court and the true owner is successful in the action and the tax proceedings are declared void, the amount deposited with the court must be paid to the purchaser.

(4) If the purported true owner is not successful in the action and the title of the purchaser is sustained, the money must be returned to the purported true owner.

(5) In any action brought by a purchaser to quiet title, several tracts of land, whether contiguous or noncontiguous or owned by different defendants, may be set forth in one complaint. All persons claiming any title to, interest in, or lien upon any of the premises or any part thereof may be joined as defendants, even though their claims are independent, are not in common, and do not cover the same tracts. The procedure in such an action must follow, as nearly as practicable, the procedure specified in 70-28-101 through 70-28-109.

(6) In the final judgment, the court shall also determine the rights resulting from any additional taxes on the property accruing or being paid by either party during the pendency of the suit.

(7) In the quiet title action, the court has complete jurisdiction to fix the amount of taxes that should have

been paid, including penalties, interest, and costs, and to determine all questions necessary in granting full relief, including the power to order any assessor or other tax officer to make and certify to the court a corrected or new assessment or to do any other act necessary to enable the court to do complete justice. Errors may be reviewed on appeal from the final judgment.

NEW SECTION. Section 26. Title conveyed by deed -- defects. (1) All deeds executed more than 3 years after the applicable tax sale convey to the grantee absolute title to the property described in the deed as of 3 years following the date of sale of the property interest at the tax sale.

(2) The conveyance includes:

(a) all right, title, interest, estate, lien, claim, and demand of the state of Montana and of the county in and to the property; and

(b) the right, if the tax deed, tax sale, or any of the tax proceedings upon which the deed may be based are attacked and held irregular or void, to recover the unpaid taxes, interest, penalties, and costs that would accrue if the tax proceedings had been regular and it was desired to redeem the property.

(3) The tax deed is free of all encumbrances except as provided in [subsections (1)(a) through (1)(c) of section 23].

(4) A tax deed is prima facie evidence of the right of possession accruing as of the date of the expiration of the redemption period described in [section 16].

(5) If any tax deed or deed purporting to be a tax deed is issued more than 3 years and 30 days after the date of the sale of the property interest at the applicable tax sale, the grantee may publish in the official newspaper of the county, once a week for 2 consecutive weeks, a notice entitled "Notice of Claim of a Tax Title". The notice must:

(a) describe all property claimed to have been acquired by a tax deed;

(b) contain an estimate of the amount due on the property for delinquent taxes, interest, penalties, and costs;

(c) contain a statement that for further specific information, reference must be made to the records in the office of the county treasurer;

(d) list the name and address of record of the person in whose name the property was assessed or taxed; and

(e) contain a statement that demand is made that the person assessed or taxed must, within 30 days after the first publication of the notice, pay to the claimant or to the county treasurer for use by the claimant the amount of taxes, interest, penalties, and costs as the same appear in the records of the county treasurer or bring a suit to quiet

the true owner's title or to set aside the tax deed.

(6) A mistake in the amount or in any name specified in the notice does not invalidate the notice.

(7) (a) If within the 30-day period the taxes, interest, penalties, and costs are not paid or a quiet title action is not brought, all defects in the tax proceedings and any right of redemption is considered waived. Except as provided in subsection (7)(b), after the 30-day period the title to the property described in the notice and in the tax deed is valid and binding, irrespective of any irregularities, defects, omissions, or total failure to observe any of the provisions of the laws of Montana regarding the assessment, levying of taxes, or sale of property for taxes and the giving of notices, whether or not such irregularities, defects, omissions, or failures could void the proceedings.

(b) The proceedings in subsection (7)(a) are void if the taxes were not delinquent or have been paid.

Section 27. Section 7-6-4414, MCA, is amended to read:

"7-6-4414. Sales for delinquent taxes when county collects municipal tax. (1) All publications of sales for delinquent taxes shall include city or town taxes. There is only one sale for each piece of property. The sale shall cover the aggregate of city or town, county, and state taxes, with the penalties, interest, and cost of advertising

provided by law.

(2) All money received from sales ~~and--redemptions~~, after a deed is given by the county treasurer as provided by law, shall be credited to the state, county, and city or town pro rata in the same proportions as provided in ~~15-18-108~~ [section 10]."

Section 28. Section 7-21-2104, MCA, is amended to read:

"7-21-2104. Lien arising from license. (1) All property held or used in any trade, occupation, or profession for which a license is required by the provisions of this part is liable for such license and subject to a lien for the amount thereof. This lien has precedence of any other lien, claim, or demand.

(2) If any person fails or refuses to procure a license before the transaction of the business specified, the county treasurer must seize such property or any other property belonging to such person and sell the same in the manner provided in ~~15-17-901--through--15-17-903~~ [section 15]."

Section 29. Section 15-16-101, MCA, is amended to read:

"15-16-101. Treasurer to publish notice -- manner of publication. (1) Within 10 days after the receipt of the assessment book, the county treasurer must publish a notice

specifying:

(a) that one-half of all taxes levied and assessed will be due and payable before 5 p.m. on November 30 next thereafter or within 30 days after the notice is postmarked and that unless paid prior thereto to that time the amount then due will be delinquent and will draw interest at the rate of 5/6 of 1% per month from and after such delinquency until paid and 2% will be added to the delinquent taxes as a penalty;

(b) that one-half of all taxes levied and assessed will be due and payable on or before 5 p.m. on May 31 next thereafter and that unless paid prior to ~~said date said~~ that time the taxes will be delinquent and will draw interest at the rate of 5/6 of 1% per month from and after such delinquency until paid and 2% will be added to the delinquent taxes as a penalty; and

(c) the time and place at which payment of taxes may be made.

(2) He must send to the last-known address of each taxpayer written notice, postage prepaid, showing the amount of taxes and assessments due the current year and the amount due and delinquent for other years. The written notice shall include:

(a) the taxable value of the property;

(b) the total mill levy applied to that taxable value;

(c) the value of each mill in that county;

(d) itemized city services and special improvement district assessments collected by the county;

(e) the number of the school district in which the property is located; and

(f) the amount of the total tax due that is levied as city tax, county tax, state tax, school district tax, and other tax.

(3) The municipality shall, upon request of the county treasurer, provide the information to be included under subsection (2)(d) ready for mailing.

(4) The notice in every case must be published once a week for 2 weeks in ~~some~~ a weekly or daily newspaper published in the county, if there is one, or if there is not, then by posting it in three public places. ~~The failure~~ Failure to publish or post notices does not relieve the taxpayer from any of his liabilities. Any failure to give notice of the tax due for the current year or of delinquent tax will not affect the legality of the tax."

Section 30. Section 15-16-102, MCA, is amended to read:

"15-16-102. Time for payment -- penalty for delinquency. All taxes levied and assessed in the state of Montana, except assessments made for special improvements in cities and towns payable under 15-16-103 and assessments

made on new production as provided in Title 15, chapter 23, part 6, and payable under 15-16-121, shall be payable as follows:

(1) One-half of the amount of such taxes shall be payable on or before 5 p.m. on November 30 of each year, or within 30 days after the notice is postmarked, whichever is later, and one-half on or before 5 p.m. on May 31 of each year.

(2) Unless one-half of such taxes are paid on or before 5 p.m. on November 30 of each year, or within 30 days after the notice is postmarked, whichever is later, then such amount so payable shall become delinquent and shall draw interest at the rate of 5/6 of 1% per month from and after such delinquency until paid and 2% shall be added to the delinquent taxes as a penalty.

(3) All taxes due and not paid on or before 5 p.m. on May 31 of each year shall be delinquent and shall draw interest at the rate of 5/6 of 1% per month from and after such delinquency until paid and 2% shall be added to the delinquent taxes as a penalty.

(4) If the taxes become delinquent, the county treasurer may not accept partial payment of the delinquent taxes, but may accept only the total amount of delinquent taxes, including penalties, interest, and costs."

Section 31. Section 15-16-111, MCA, is amended to

read:

"15-16-111. Personal property -- duty of department. (1) It ~~shall be~~ is the duty of the department of revenue or its agent, upon discovery of any personal property in the county the taxes upon which are not a lien upon real property sufficient to secure the payment of such taxes, to immediately and in any event not more than 5 days thereafter make a report to the treasurer, setting forth the nature, kind, description, and character of such property in such a definite manner that the treasurer can identify the same, the amount and assessed valuation of such property, where the same is located, the amount of taxes due thereon, and the name and address of the owner, claimant, or other person in possession of the same.

(2) Where such personal property is located in any city or town which ~~shall have~~ has provided by ordinance for the collection of its taxes for general, municipal, and administrative purposes by its city treasurer or town clerk, the department also and at the same time shall furnish to ~~said~~ the city treasurer or town clerk a duplicate of ~~such~~ the notice to the county treasurer. For the purpose of determining the taxes due on ~~such~~ personal property, the department or its agent must use the levy made during the previous year."

Section 32. Section 15-16-112, MCA, is amended to

read:

"15-16-112. Department report of personal property in assessment book. The department of revenue or its agent must note on the assessment book, opposite the ~~names~~ name of each person owning, claiming, or possessing ~~such~~ personal property which ~~may be so~~ is reported to the treasurer under 15-16-111, the fact that ~~such~~ the report was made to the treasurer and the date when the ~~same~~ report was ~~so~~ made."

Section 33. Section 15-16-113, MCA, is amended to read:

"15-16-113. Personal property -- duty of treasurer -- penalty. (1) The county treasurer shall collect taxes on all personal property and, in the case provided in 15-16-111, shall immediately upon receipt of the report prescribed by 15-16-111 notify the person or persons against whom the tax is assessed and any person who has a properly perfected security interest of record with the department of justice that the amount of ~~such~~ the tax is due and payable at the county treasurer's office.

(2) The county treasurer shall, at the time of receiving the report and in any event within 30 days from the receipt of such report, levy upon and take into his possession the personal property against which a tax is assessed or any other personal property in the hands of the delinquent taxpayer and proceed to sell the same in the same

manner as property is sold on execution by the sheriff.

(3) The county treasurer ~~may~~ shall, for the purpose of making the levy and sale, direct the sheriff to make the levy and sale. The sheriff, undersheriff, or any deputy sheriff of the county is ex officio a deputy county treasurer for such purposes, and either may act and receive payment of such taxes. The sheriff may receive the same fees as he is entitled to in making a seizure and sale ~~under execution~~ as provided in [section 15].

~~(2)~~(4) The county treasurer and his sureties are liable on his official bond for all taxes on personal property remaining uncollected by reason of the willful failure and neglect of the treasurer to levy upon and sell such personal property for the taxes levied thereon.

(5) Failure by the sheriff, undersheriff, or deputy sheriff acting as a deputy county treasurer to make the levy and sale results in a levy against the official bond of the sheriff, undersheriff, or deputy sheriff for payment of the delinquent tax."

Section 34. Section 15-16-114, MCA, is amended to read:

"15-16-114. Rate of taxation -- personal property. (1) All rates of tax levy set by the board of county commissioners on the second Monday in August of each year shall apply permanently to this class of personal property

during the ensuing tax year~~,--and-the~~.

(2) The treasurer shall, upon collection of any such taxes, immediately distribute the money so collected to the various and proper funds in his charge.

~~(2)--If-the-rate-of-taxation--fixed--for--the--year--in which--the--collection--is--made--is--an--increase--over-the preceding--year's--levy,--then--the--said--board--of--county commissioners-may-direct-the-county-treasurer-to-collect-the amount-of-such-increased-levy-but-shall-not-be-obliged-to-do so--in-cases-where,-in-the-opinion-of-the-board,-the-cost-of collection-would-exceed-the-amount-of-such-increase.-If--the rate--fixed--for--the--year--in-which-the-collection-is-made shall-be-less-than-the-levy-for-the-preceding-year,-then-the person-from-whom-such-excess-tax-was-collected-may-file-with the-board-of-county-commissioners-a-duly-verified-claim--for a-refund-of-such-excess-tax-at-any-time-before-November-1-of the--year--in--which--such-an-excess-was-collected,-and-such claim-shall-be-allowed-and-ordered--paid--by--the--board--of county-commissioners-to-the-amount-of-such-excess.~~"

Section 35. Section 15-16-115, MCA, is amended to read:

"15-16-115. Treasurer's record of personal property taxes paid. (1) ~~The--treasurer--must,--on~~ On or before December 1 of each year, the treasurer shall note on the assessment book, opposite the name of each person from whom

taxes have been collected by him in pursuance of ~~such~~ the report of the assessor, the amount of taxes received and the date of ~~the~~ receipt ~~thereof or~~.

(2) ~~in case such~~ If the taxes have not been collected ~~by him~~, the treasurer shall note in the assessment book the reason why ~~such~~ collection was not made."

Section 36. Section 15-16-117, MCA, is amended to read:

"15-16-117. Personal property -- treasurer's duty to collect certain taxes ~~on~~. (1) The county treasurer ~~must~~ shall demand payment of poor taxes, authorized by 53-2-321, and road taxes, authorized by 7-14-2206 or 7-14-2501 through 7-14-2504, of every person liable therefor whose name does not appear on the assessment lists~~, and on~~. On the neglect or refusal of any such person to pay the same, ~~he must~~ the treasurer shall collect the taxes by seizure and sale of any property owned by ~~such~~ the person.

(2) These taxes ~~shall~~ must be added upon the assessment lists to other property taxes of persons ~~liable therefor~~ paying taxes upon real and personal property and paid to the county treasurer at the time of payment of other taxes~~, and all personal property assessed against a person shall be liable for the payment of such taxes~~.

(3) The procedure for the sale of such property by the county treasurer for such taxes ~~shall~~ must be regulated by

15-16-113 and ~~chapter 17, part 9~~ [section 15]."

Section 37. Section 15-16-301, MCA, is amended to read:

"15-16-301. Delinquent list -- real property. On the third Monday of December and on the third Monday of June of each year, the county treasurer must make a report to the county clerk and recorder in detail, showing the amount of taxes collected and a complete ~~delinquent~~ list of all persons and property then owing taxes~~, and the~~. The county clerk and recorder shall compare ~~such~~ the report with the books of the county treasurer and shall keep a record of ~~such~~ the report in his office."

Section 38. Section 15-16-302, MCA, is amended to read:

"15-16-302. Tabulation and transmittal of real property delinquent list. (1) The county treasurer must, at the time specified in 15-16-301, deliver to the county clerk and recorder a complete delinquent list of all persons and property then owing taxes.

(2) In the list so delivered, all matters and things contained in the assessment book and relating to delinquent persons or property must be set down in numerical or alphabetical order.

(3) The county clerk and recorder must carefully compare the list with the assessment book, and if satisfied

that it contains a full and true statement of all taxes due and unpaid, he must ~~foot up the~~ total the amount of taxes ~~so~~ remaining unpaid, credit the county treasurer ~~who acted under it~~ therewith, ~~and~~ make a final settlement with ~~him~~ the treasurer of all taxes charged against ~~him~~ the treasurer on the assessment book, and ~~must~~ require from ~~him~~ the treasurer an immediate account for any existing deficiency."

Section 39. Section 15-16-303, MCA, is amended to read:

"15-16-303. Treasurer charged with delinquent taxes. After settlement with the county treasurer as prescribed ~~herein~~ in 15-16-302, the county clerk and recorder must charge the treasurer ~~then acting~~ with the amount of taxes ~~then~~ due on the delinquent tax list and within 3 days thereafter deliver the list, duly certified, to the county treasurer."

Section 40. Section 15-16-305, MCA, is amended to read:

"15-16-305. Disposition of delinquent list. (1) ~~The county treasurer must annually on~~ On the third Monday of February, ~~attend at the office of the county clerk and recorder with the delinquent list. The~~ the county clerk and recorder must ~~then carefully~~ compare the lists with the assessments of persons and property not marked "paid" on the assessment book~~, and when~~. If the taxes have been paid, he

the county clerk and recorder must note the fact in the appropriate column in the assessment book.

(2) The county clerk and recorder must then administer to the county treasurer an oath, to be written and subscribed in the delinquent list, that every person and all property assessed in the delinquent list on which taxes have been paid have been credited in the list with such payment.

(3) The county clerk and recorder must then ~~foot up~~ total the amount of taxes remaining unpaid and credit the treasurer with the amount and have a final settlement with ~~him~~ the treasurer. The delinquent list must remain in the county clerk and recorder's office.

(4) At the time mentioned in subsection (1) of this section, the treasurer must make an affidavit, endorsed on the list, that the taxes not marked "paid" have not been paid and that he has not been able to discover any property belonging to or in possession of the persons liable to pay the sum whereof to collect them."

Section 41. Section 15-16-401, MCA, is amended to read:

"15-16-401. Tax due as a judgment or lien. Every tax has the effect of a judgment against the person, and every lien created by this title has the force and effect of an execution duly levied against all personal property in the possession of the person assessed from and after the date

the assessment is made. The county treasurer may issue a writ of execution for delinquent personal property taxes and deliver the ~~same~~ writ to the sheriff. The sheriff shall thereupon proceed upon the ~~same~~ writ in all respects, with like effect, and in the same manner prescribed by law in respect to executions issued against property upon judgments of a court of record and shall be entitled to the ~~same~~ fees ~~for his services in executing the same, to be collected in the same manner~~ provided for in [section 15]. The judgment is not satisfied nor the lien removed until the taxes are paid or the property sold for the payment thereof."

Section 42. Section 15-16-402, MCA, is amended to read:

"15-16-402. Tax on personalty lien on realty -- separate assessment. (1) Every tax due upon personal property is a prior lien upon any or all of such property, which lien shall have precedence over any other lien, claim, or demand upon such property, and except as hereinafter provided, every tax upon personal property is also a lien upon the real property of the owner thereof ~~from~~ on and after ~~12 midnight of~~ January 1 ~~in~~ of each year.

(2) The taxes upon personal property based upon a taxable value up to and including $1,000 shall be a first and prior lien upon the real property of the owner of such personal property. Taxes upon personal property based upon

the taxable value thereof in excess of $1,000 shall be a first and prior lien upon the real property of the owner unless the owner or holder of any mortgage or other lien upon said real property appearing of record in the office of the clerk and recorder of the county where such real property is situated, at or before the time such personal property tax attached thereto, shall have filed the notice hereinafter provided for, in which event the taxes upon such excess of $1,000 of taxable value shall not be a lien on the real property of such owner. It shall be the duty of the county treasurer to issue to any mortgagee or lien holder, upon his request, a statement of the personal property tax due upon the taxable value up to and including $1,000. Personal property taxes upon a taxable value up to $1,000 may be paid, redeemed from a tax sale as by law provided, or discharged separately from any personal property taxes in excess of such amount. Payment of such taxes upon a taxable value up to $1,000, as herein provided, shall operate to discharge the tax lien upon the personal property of the owner to the extent of such payment in the order that the person paying such tax shall direct.

(3) The holder of any mortgage or lien upon real property who desires to obtain the benefits of this section shall file in the office of the county treasurer of said county a notice giving:

(a) the name and address of the mortgagee and holder of the mortgage or lien;

(b) the name of the reputed owner of the land;

(c) the description of the land;

(d) the date of record and expiration of the mortgage or lien;

(e) the amount thereof; and

(f) a statement that he claims the benefit of the provisions of this section.

(4) Such notice shall be ineffectual as to any taxes which shall have become a lien on real property prior to the filing of such notice as aforesaid. If the mortgage be not paid at maturity, such notice shall thereafter be filed annually unless the mortgage be extended for a definite period to be stated in such notice.

(5) Any owner of a mortgage on real estate upon which personal property taxes are by this section made a lien, where the owner of such real estate and personal property has failed to pay taxes due upon such real estate and personal property for 1 or more years, may file with the department of revenue or its agent in the county in which such property is located a written request to have the personal property and real estate of the owner separately assessed. Such request must be made by registered or certified mail at least 10 days prior to January 1 in the

year for which property is assessed. Upon receipt by the department or its agent of such request, it is hereby made the duty of the department or its agent to make a separate assessment of real and personal property of the owner thereof, and such personal taxes shall not be a lien upon the real estate so mortgaged of the owner thereof, and the personal property taxes shall be collected in the manner provided by law for other personal property."

Section 43. Section 15-16-404, MCA, is amended to read:

"15-16-404. County lien on moneys of taxpayer. The county has a general lien, dependent on possession, upon any moneys in its possession belonging to any taxpayer for any amounts due the county for any delinquent personal property taxes not a lien on real estate of the taxpayer. Due notice shall be given the lien holder, if ~~any~~ known."

Section 44. Section 15-16-504, MCA, is amended to read:

"15-16-504. Evidence at trial. On the trial a certified copy of the assessment signed by the county clerk and recorder of the county where the ~~same~~ assessment was made, with the affidavit of the treasurer thereto attached that the tax has not been paid, describing it as on the assessment book or delinquent list, is prima facie evidence that ~~such--tax-and-the-per-centum~~ the taxes, plus interest,

penalties, and costs, are due and entitles him to judgment unless the defendant proves that the tax was paid."

Section 45. Section 15-16-601, MCA, is amended to read:

"15-16-601. Taxes or penalties illegally collected to be refunded. (1) (a) Any taxes, ~~per-centum,--and~~ interest, penalties, or costs paid more than once or erroneously or illegally collected or any amount of tax paid for which a taxpayer is entitled to a refund under 15-16-612 or any part or portion of taxes paid which were mistakenly computed on government bonus or subsidy received by the taxpayer may, by order of the board of county commissioners, be refunded by the county treasurer. Whenever any payment ~~shall--have~~ has been made to the state treasurer as provided in 15-1-504 and it ~~shall~~ afterwards ~~appear~~ appears to the satisfaction of the board of county commissioners that a portion of the money so paid should be refunded as herein provided, ~~said~~ the board of county commissioners may refund ~~such~~ the portion of ~~said~~ the taxes, interest, penalties, and costs so paid to the state treasurer, and upon the rendering of the report required by 15-1-505 the county clerk and recorder shall certify to the state auditor, in such form as the state auditor may prescribe, all amounts so refunded,--and ~~in~~. In the next settlement of the county treasurer with the state, the state auditor shall give the county treasurer

credit for the state's portion of the amounts so refunded.

(b) When any part of the taxes, interest, penalties, or costs hereinbefore referred to were levied in behalf of any school district or municipal or other public corporation and collected by the county treasurer, the same may be refunded upon the order of the board of county commissioners.

(c) No order for the refund of any taxes, ~~license fees,--per--centum~~ interest, penalties, or costs under this section shall be made except upon a claim therefor, verified by the person who has paid ~~such-tax,--license--fee,--penalty~~ the taxes, interest, penalties, or costs or his guardian or, in case of his death, by his executor or administrator, which claim must be filed within 10 years after the date when the second half of such taxes would have become delinquent if the same had not been paid.

(d) All refunds ordered to be paid by the board of county commissioners ~~shall~~ must be paid by the county treasurer out of the general fund of the county, and the county treasurer shall then make such transfers from other county funds and from state, school district, and other public corporation funds in his possession as may be necessary to reimburse the county general fund for payments made therefrom ~~on-account-of-such-other-funds~~.

(2) Upon the entering of judgment under 15-2-306, the

county commissioners of the affected county shall order a refund of such portion of the taxes ~~or license fees~~ as the state tax appeal board has judged should be refunded."

Section 46. Section 15-16-701, MCA, is amended to read:

"15-16-701. Personal property taxes ten years delinquent -- list. (1) It shall be the duty of each county treasurer to prepare in triplicate and submit to the board of county commissioners of his county, on or before the first Monday of June in each year, a list of personal property taxes ~~which~~ that are not a lien on real estate and ~~which~~ that have been delinquent for 10 years or more. ~~Said~~ The list shall show the following:

(a) name and address of the delinquent taxpayer;

(b) amount of the delinquent ~~tax~~ taxes, plus ~~penalty~~ interest, penalties, and costs, if any; and

(c) the ~~year~~ date the ~~tax~~ taxes became delinquent.

(2) Every county treasurer shall, within the same time, prepare in triplicate and submit to the board of county commissioners of his county a list of all contractual obligations owed to or held by his county for seed grain, feed, or other relief, the collection of which is barred by the statute of limitations, provided in 27-2-202(1). ~~Said~~ The list ~~shall~~ must show the following:

(a) the name and address of the person or persons who

entered into the contractual obligation;

(b) the name of the contractual obligation, as "seed loan", "feed loan", "promissory note", as ~~the case may be~~ applicable; and

(c) the date of obligation, date when last payment became due, date of last payment thereon, and the date when the collection of the obligation became barred by ~~said~~ the statute of limitations provided in 27-2-202(1)."

Section 47. Section 15-16-702, MCA, is amended to read:

"15-16-702. Cancellation of taxes and obligations -- filing of lists. Upon receipt of such list or lists and within 30 days thereafter, the board of county commissioners shall examine the same and make any necessary corrections. Thereupon, the board of county commissioners shall make its order canceling all such personal property taxes and contractual obligations contained in ~~such~~ the list or lists, as corrected, required by this part to be canceled and spread such order upon its minutes. ~~Such~~ The order and minutes need not set forth in full the contents of ~~such~~ the list or lists, a proper reference therein for their identification being sufficient. ~~At the time of making such~~ order When the order is made, the original or copy of ~~such~~ the list or lists, as corrected, ~~shall~~ must be filed with and as a part of the records of the board. One legible copy

thereof ~~shall~~ must be filed with the county clerk and recorder as a public record, and one legible copy thereof ~~shall~~ must be filed with the county treasurer as a permanent record of his office."

Section 48. Section 15-16-703, MCA, is amended to read:

"15-16-703. Adjustment of accounts after cancellation. Upon notification of the ~~above~~ order for cancellation, the county clerk and recorder and county treasurer ~~must~~ shall adjust their taxes-receivable accounts to conform to the ~~said~~ order of cancellation."

Section 49. Section 15-16-704, MCA, is amended to read:

"15-16-704. Certain unpaid taxes uncollectable -- stricken from records. All unpaid taxes~~,--which--constitute~~ constituting a lien on real property in the state, levied and assessed against real property which have remained delinquent more than 10 years prior to July 1, 1976, whether the levy be by general or special assessment or by the state or any county, city, or political subdivision of the state, are hereby declared to be uncollectable and stricken from the respective tax records."

Section 50. Section 15-23-704, MCA, is amended to read:

"15-23-704. Lien of tax -- enforcement of payment. The

tax on gross proceeds from coal shall be levied as taxes on other forms of property, and this tax and the severance tax on coal production are each a lien upon the coal mine and a prior lien upon all personal property and improvements used to produce the coal. These taxes may be collected by the seizure and sale of the personal property on which the tax is a lien as provided under 15-16-113 and ~~chapter--17,--part 9,--or--by-suit-under-15-16-501-and-15-16-502~~ [section 15]."

Section 51. Section 15-24-302, MCA, is amended to read:

"15-24-302. Collection procedure. All property mentioned in 15-24-301 is assessed at the same value as property of like kind and character, and the assessment, levy, and collection of the tax are governed by the provisions of 15-8-408, 15-16-111 through 15-16-115, 15-16-404, ~~chapter--17,--part---9,~~ [section 15], and 15-24-202, as amended, except:

(1) taxation of motor vehicles under 15-24-301(4) to the extent that subsection varies from the general provisions cited above; and

(2) livestock taxation governed by 81-7-104 and Title 81, chapter 7, part 2."

Section 52. Section 76-13-211, MCA, is amended to read:

"76-13-211. Amount due for protection treated as lien.

(1) Whenever the department provides forest protection during a forest fire season for any forest land or timber not protected by the owner thereof as required by this part or part 1, the amount due for the forest protection is a lien upon the land or timber which shall continue until such time as the amount due is paid.

(2) The lien has the same force, effect, and priority as general tax liens under the laws of the state and is subject and inferior only to tax liens on the lands. The county attorney of the county in which the land is situated shall on request of the department foreclose the lien in the name of the state and in the manner provided by law, or the county attorney upon the request of the department shall institute an action against the forest landowner in the name of the state in any district or justice court having jurisdiction to recover the debt. The state in the action is not required to pay any fees or costs to the clerk of the court or justice of the peace. ~~The--complaint--and-all subsequent-proceedings-in-the-action-shall-conform-as-nearly as-practicable-to-those-provided-by-15-16-502.~~

(3) The remedies provided by this section are cumulative and do not affect the other provisions of this part or part 1 for the payment and collection of amounts due to the department."

Section 53. Section 85-7-2152, MCA, is amended to

read:

"85-7-2152. Proceeds of sale. Whenever any lot, tract, piece, or parcel of land included within and forming a part of any irrigation district created under the provisions of this chapter or included within any extension of such district is sold by the treasurer of the county where such land is situated in the manner provided by law for the sale of lands for delinquent taxes for state and county purposes and taxes or assessments of the irrigation district form all or a part of the taxes for which such lands are sold, the county treasurer making such sale or sales shall place to the credit of the proper funds of such irrigation district, out of the proceeds of the sale or sales, the total tax or assessment of the irrigation district, inclusive of the interest and penalty thereon as provided for by the general laws relating to delinquent taxes for state and county purposes, and whenever any such lands are struck off at such sale to the county where they are situated pursuant to the provisions of ~~15-17-207~~ [section 8], the county treasurer of the county must, upon the issuance of the certificate of tax sale to the county, issue to the irrigation district, in its corporate name, a debenture certificate for the amount of taxes and assessments due to the irrigation district from the lands and premises so sold, inclusive of the interest and penalty thereon, which certificate is evidence of and

conclusive of the interest and claim of the irrigation district in, to, against, and upon the lands and premises so struck off to the county at the tax sale, and after the issuance of the certificate, the sum named therein and the taxes and assessments of the district evidenced thereby shall bear interest at the rate of 1% a month from the date of the certificate until redeemed in the manner provided for by law for the redemption of the lands sold for delinquent state and county taxes or until paid from the proceeds of the sale of the lands and premises described therein in the manner provided for by law, and duplicates of such certificates so issued to the irrigation district shall be filed in the office of the county clerk and county treasurer of the county with the certificate of tax sale of the lands and premises."

Section 54. Section 85-7-2154, MCA, is amended to read:

"85-7-2154. Redemption of lands sold. Upon the redemption of any lands so sold for taxes in the manner provided for by ~~15-18-101~~ [sections 16 through 26], the county treasurer of said county, out of the redemption money, shall pay to the holder or holders of such certificate or certificates the sums for which the same were issued, with interest as therein provided to the date of the redemption of said lands."

Section 55. Section 85-7-2155, MCA, is amended to read:

"85-7-2155. Sale by county commissioners when land not redeemed. When the lands and premises so sold for taxes and upon and against which the certificates have been issued for the taxes and assessments of the irrigation district are not redeemed within the time provided for by ~~15-18-101~~ [section 16], the board of county commissioners of the county, within 3 months thereafter, shall cause these lands and premises to be sold as provided for by law, and out of the proceeds of the sale, the county treasurer of the county shall pay to the holder or holders of the certificates the sum for which the same were issued, with interest as provided for to the date of the sale of the lands by the board of county commissioners, and no lands and premises so held by any county and against which the certificates provided for by this chapter have been issued may, upon such sale, be struck off or sold for a less sum than the amount of taxes and assessments of the irrigation district represented by the certificate, inclusive of the interest thereon, in addition to the state and county taxes, if any, against the same."

Section 56. Section 85-7-2156, MCA, is amended to read:

"85-7-2156. Proceedings where land struck off to county and not redeemed. In case the property so assessed

for irrigation district purposes is struck off to the county, as provided for by law, and certificates of the taxes and assessments of said irrigation district issued thereon, as hereinbefore provided for, and the said lands and premises be not redeemed before the next annual assessment for irrigation purposes shall become delinquent thereon, then and in that event ~~[whether--said--lands--and premises--be--again--sold--by--the--county-treasurer-of-said county-or-the-sale-thereof--adjourned--as--provided--for--by 15-17-304--and-15-17-305]~~, like certificates for each year's irrigation district taxes and assessments shall be issued against said land and shall be included in and satisfied by any redemption thereof, with interest as hereinbefore provided for, and shall in like manner be paid from the proceeds of sale of said lands by the board of county commissioners, if the same be not redeemed as provided for by law."

Section 57. Section 85-7-2163, MCA, is amended to read:

"85-7-2163. ~~Period--of--redemption-----application-for~~ Granting of tax deed. The holder of ~~such~~ the certificate of tax sale ~~of-such-land,-whether-said-holder-be-an-irrigation district--or--individual,--may,--at--any--time---after---the expiration-of-2-years-from-the-date-of-sale-of-said-property for--delinquency,--if-same-has-not-been-redeemed-within-said~~

~~period-of-2-years-from--date--of--sale--of--said--lands--for delinquency,--apply--to-the-county-treasurer,-as-provided-by law-for-the-issuance-of-a-tax-deed--to--said--property,--and upon--such--application,~~ must be granted a tax deed by the county treasurer ~~shall-issue-such-tax-deed,~~ in the manner and form provided by ~~law,--to--said--holder~~ [sections 16 through 26]."

Section 58. Section 20-15-403, MCA, is amended to read:

"20-15-403. Applications of other school district provisions. (1) When the term "school district" appears in the following sections outside of Title 20, the term includes community college districts and the provisions of those sections applicable to school districts apply to community college districts: 2-9-101, 2-9-111, 2-9-316, 2-16-114, 2-16-602, 2-16-614, 2-18-703, 7-3-1101, 7-6-2604, 7-6-2801, 7-7-123, 7-8-2214, 7-8-2215, 7-8-2216, 7-11-103, 7-12-4106, 7-13-110, 7-13-210, 7-15-4206, 10-1-703, 15-1-101, 15-6-204, 15-16-101, 15-16-601, ~~15-18-100,~~ 15-55-106, 15-70-301, 15-70-322, 17-5-101, 17-5-202, 17-6-103, 17-6-204, 17-6-213, 17-7-201, 18-1-102, 18-1-112, 18-1-201, 18-2-101, 18-2-103, 18-2-113, 18-2-114, 18-2-404, 18-2-432, 18-5-205, 19-1-102, 19-1-811, 22-1-309, 25-1-402, 27-18-406, 33-20-1104, 39-3-104, 39-4-107, 39-31-103, 39-31-304, 39-71-116, 39-71-117, 39-71-2106, 39-71-2206,

40-6-237, 41-3-1132, 49-3-101, 49-3-102, 53-20-304, 77-3-321, 82-10-201, 82-10-202, 82-10-203, 85-7-2158, and 90-6-208 and Rules 4D(2)(g) and 15(c), M.R.Civ.P., as amended.

(2) When the term "school district" appears in a section outside of Title 20 but the section is not listed in subsection (1), the school district provision does not apply to a community college district."

NEW SECTION. Section 59. Repealer. Sections 15-16-116, 15-16-501, 15-16-502, 15-16-505, 15-17-101, 15-17-102, 15-17-111 through 15-17-113, 15-17-201 through 15-17-208, 15-17-301 through 15-17-305, 15-17-311, 15-17-312, 15-17-901 through 15-17-903, 15-18-101 through 15-18-108, 15-18-201 through 15-18-205, 15-18-301 through 15-18-309, and 15-18-401 through 15-18-404, MCA, are repealed.

NEW SECTION. Section 60. Extension of authority. Any existing authority of the department of revenue to make rules on the subject of the provisions of this act is extended to the provisions of this act.

NEW SECTION. Section 61. Transition. (1) For the purpose of implementing the provisions of [sections 1 through 26], no tax deed may be applied for or issued during the period between [the effective date of this act] and July 1, 1988.

(2) During the period between [the effective date of this act] and July 1, 1988, the county clerk and county treasurer of each county shall cooperate in identifying all property in their respective counties on which the taxes are delinquent or on which a tax sale certificate or assignment certificate was issued.

(3) Not less than 60 days or more than 90 days prior to July 1, 1988, the county clerk in each county shall give notice, as provided in [section 21], for each property on which the taxes have been delinquent for the 3 preceding years or more or for which there had been issued a tax sale certificate to the county and for which the board of county commissioners has directed the county treasurer to issue a tax deed.

(4) After January 1, 1988, and before May 1, 1988, the county clerk shall send a notice to each purchaser other than the county and to each assignee who has taken an assignment from the county. The notice must be sent by certified mail and contain a statement apprising the purchaser or assignee of his obligation to give notice as required in [section 21]. The county clerk shall also publish in the official newspaper of the county or such other newspaper as the board of county commissioners may designate a general notice to all purchasers and assignees stating the obligations to the purchaser or assignee

regarding the notice required in [section 21].

NEW SECTION. Section 62. Saving clause. This act does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before the effective date of this act.

NEW SECTION. Section 63. Effective date. This act is effective on passage and approval.

-End-

CHAIRMAN--SEN. GEORGE MCCALLUM
NORMAL SCHEDULE==> SITE: ROOM 413/415 DAYS: MON THRU FRI TIME: 8:00 A.M.

SECRETARY-AGGIE HAMILTON

--BILL NO---	REFER DATE---	HEARING DATE---	CONSIDERATION DATES	COMMITTEE ACTION	REREFERRED TO COMM	DATE OUT
SB0162 MAZUREK, JOSEPH P.	1/20	1/31	GENERAL REVISION OF PROPERTY TAX COLLECTION, DELINQUENCY, AND DEED PROCESS	PASS AS AMENDED		2/11
SB0183 REGAN, PAT	1/21	2/02	PROVIDE RETIREMENT EQUALIZATION AID TO COUNTIES FOR SCHOOL DISTRICTS	PASS AS AMENDED		2/21
SB0192 BOYLAN, PAUL F.	1/21	2/04	REDUCE PROPERTY VALUATION TO PRICE OFFERED FOR SALE & EQUALIZE ACCORDINGLY	ADVERSE REPORT		2/10
SB0200 SMITH, ED B.	1/23	1/30	2/3 REPLACE VEHICLE FEE SYSTEM WITH A PROPERTY TAX AT RATE OF 2% OF VALUE	PASS AS AMENDED		2/11
SB0224 ECK, DOROTHY	1/27	2/03	CHANGING THE EVAPORATION ALLOWANCE FOR GASOLINE DISTRIBUTORS' LICENSE TAX	PASS AS AMENDED		2/7
SB0228 VAN VALKENBURG, FRED	1/26	2/03	2/4, 2/5 REVISE ALLOCATION OF COAL SEVERANCE TAX PROCEEDS	PASS AS AMENDED		3/10
SB0266 VAN VALKENBURG, FRED	2/02	2/05	2/5 AUTHORIZE ON-PREMISE CONSUMPTION AT WINERY WITHOUT CHARGE	PASS AS AMENDED		2/10
SB0307 CRIPPEN, BRUCE D.	2/06	2/16, 2/17, 2/18, 2/19, 2/24	3/3, 3/13, 4/9 MONTANA ECONOMIC AND TAX REFORM ACT OF 1987, A.K.A. GODZILLA	DO PASS ~~CONCUR~~ AS AMENDED		4/10
SB0309 MAZUREK, JOSEPH P.	2/06	2/10	REVISING PROPERTY ASSESSMENT FOR STREET MAINTENANCE DISTRICTS	PASS AS AMENDED		2/11
SB0310 MAZUREK, JOSEPH P.	2/06	2/13	PROVIDE LOCAL OPTION INCOME TAX WITH VOTER APPROVAL -- PROPERTY TAX RELIEF	TABLED 3/13		
SB0312 BROWN, ROBERT J.	2/10	3/04	10¢ INCREASE IN CIGARETTE TAX TO EQUALIZE PART OF TEACHER RETIREMENT LEVY	TABLED 3/6		

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

January 31, 1987

The thirteenth meeting of the Senate Taxation Committee was called to order at 8:00 A.M. on January 31, 1987 by Chairman George McCallum in Room 413/415 of the Capitol Building.

ROLL CALL: All committee members were present with the exception of Senators Severson and Hager.

CONSIDERATION OF SJR 7: Senator Eck, Senate District 40, presented this resolution to the committee. She said this resolution would encourage the state to work towards a system where they could take the magnetic tape or diskette in lieu of the paper form for income tax. She said the Department thinks this is possible. She noted that the fiscal note indicated that eventually there may be some savings to the state.

PROPONENTS: None.

OPPONENTS: None

QUESTIONS FROM THE COMMITTEE: None.

Senator Eck closed.

CONSIDERATION OF SB 162: Senator Mazurek, Senate District 23, presented this bill to the committee. He said this is a fairly important bill relating to major revisions in the laws on property tax collections, delinquencies and the tax deeding process. Over the years there have been a number of efforts to revise the tax deeding process. As the result of a bill by Representative Marks, SJR 14 directed the Revenue Oversight Committee to study the tax deeding and tax delinquency process and to try to get a handle on the problem. There was general agreement that the process was complicated and it was virtually impossible to go through the taxpayer process without creating an error. For someone purchasing property at a tax sale it is almost impossible to get title. During the interim the Revenue Oversight Committee worked with a group of people who are actively involved in this process to review the existing law and to come up with a proposal which would revise the laws in this area. What this bill does is to revise parts of Title 15, Chapter 16 and then repeals all of Chapters 17 and 18 in Title 15. The first

pages of the bill are 26 new sections of law, as proposed by the committee, to make this more understandable. In making these recommendations, the committee looked at laws from a number of other states. There were a couple of features in the previous law that the committee felt were important but one of the big problems in the old law was that there was no requirement that the purchaser make application to obtain a tax deed. He reviewed the bill, section by section, with the committee.

PROPONENTS: Cort Harrington, representing the Montana County Treasurers Association, gave testimony in support of this bill. He said the County Treasurers Association was involved in the drafting of this bill. He presented the committee with some proposed amendments to this bill, attached as Exhibit 1. He said the amendments are changes that do not have any significant effect and were requested by Fern Hart of Missoula County. He is not sure if the county notices will be out prior to the effective date of this act and in that regard he questions whether an amendment would be necessary to clarify which process the county should use.

Greg Jackson, representing the Montana Clerk and Recorders Association, gave testimony in support of this bill. He said he would like to have this bill passed and try the procedure for two years. A lot of work went into this bill and if there are problems we can come back in two years and clean up any problems.

Sandra Whitney, Montana Taxpayers Association, gave testimony in support of this bill. She said a lot of research was done on this bill and it has a good structure to work with.

Susan Spurgem, Montana Treasurers Association, gave testimony in support of this bill. She said this problem does need to be addressed and this bill is a step in the right direction.

Gloria Paladichuk, Richland County Treasurer, gave testimony in support of this bill. She said she was involved in the drafting of this bill. She said if the county does have assessments against the property being sold, the taxpayer is responsible for paying special improvement districts. When taking tax deed, the taxes are written off but the SID's must be paid.

Martha McGee, Lewis and Clark County Treasurer, stood in support of this bill.

OPPONENTS: Gene Phillips, Montana Land Title Association, gave testimony in opposition to this bill. They feel that legislation in this area is needed and they do think this bill is a start in the right direction. He said the Association could support this bill with a few changes. An example of one of the problems is on page 2, the definition of ""property tax lien" means a lien acquired by the payment at a tax sale of all outstanding delinquent taxes, including penalties, interest, and costs." Then on page 1, line 20, subsection (6)(a) it says "with respect to real property and improvements, the offering for sale by the county treasurer of a property tax lien representing delinquent taxes, including penalties, interest, and costs". In one instance they are saying a property tax lien is what is acquired at the sale and the other one is different. This needs clarification. In Section 16 you don't have interest on real property and you do not record security interest. On page 16 and 17 the language pertaining to the record is simply not accurate under existing Montana law. Page 17, line 1 refers to the holder of a contract for deed. He would suggest that they mean the vendee/vendor. Page 19, line 6 refers to how long the county should hold the money and it says for a period of one year from the date of publication. That should be the "last date" of publication on line 6 and line 14. They obviously will publish more than once. Page 27, line 23, says that the deed shall be free of all encumbrances and clear of any and all claims. That is not customary for real estate. Normally lien is against the property secured for obligation. Encumbrances would refer to assessment, restrictive covenant, something of that nature. He does not think that is what they want to do. These are the principal problems they have with this bill.

Chuck Stearns, City of Missoula, gave testimony in opposition to this bill. His testimony is attached as Exhibit 2.

QUESTIONS FROM THE COMMITTEE: Senator Crippen said he is a little surprised by the acceptance of this bill by the Montana Taxpayers Association. On page 38, line 21, we are putting into law an Attorney General Opinion which states that partial payments for taxes are not acceptable. He asked Sandra Whitney to comment.

Sandra Whitney said we have in the tax law right now a provision for a person to protest his taxes. If a person feels his tax has been raised too high, he can

protest the amount of tax that he feels is too high. While they are very concerned about protecting the rights of the taxpayer, they are not sympathetic to the person not paying taxes. This particular provision would require that a person pay taxes in full. In the past they were allowed to pay the oldest payment and then could stay in arrears for three years. This particular provision refers to a person who is delinquent and he has to pay all his taxes if he is going to pay any. She is in agreement with that provision.

Senator Bishop asked Gene Phillips if they were involved in the process of preparing this bill.

Gene Phillips said not to his knowledge.

Senator Bishop would like to hear something from them as they will have to issue title insurance.

Senator Mazurek said his understanding was that a representative from the Helena Abstract and Title Company was to be present at the hearing. He said he would insure that he has their comments before proceeding with this bill.

Senator Halligan asked if the taxpayer received a copy of the Notice of Pending Tax Sale.

Senator Mazurek said he would have received the tax notices once a year and that is all.

Senator Bishop said he would like some specifics on what is wrong with the existing law. He has been working with this law for 34 years and it is working just great for him.

Susan Spurgem said it is very difficult to get an actual tax deed because of the encumbrances that can come up and the appeals. She does not really know where to start to address all the problems. What we would like is something in the law that very clearly tells us what our steps are. The regulations right now are very unclear.

Senator Bishop again stated he would like some specifics on what is wrong with the old law.

Senator Mazurek closed by stating he will work with some of the questions raised.

ADJOURNMENT: The meeting adjourned at 9:00 A.M.

SENATOR McCALLUM, Chairman

ah

ROLL CALL

TAXATION COMMITTEE

50th LEGISLATIVE SESSION -- 1987 Date 1-31-87

NAME	PRESENT	ABSENT	EXCUSED
SENATOR CRIPPEN	✓		
SENATOR NEUMAN	✓		
SENATOR SEVERSON			✓
SENATOR LYBECK	✓		
SENATOR HAGER		✓	
SENATOR MAZUREK	✓		
SENATOR ECK	✓		
SENATOR BROWN	✓		
SENATOR HIRSCH	✓		
SENATOR BISHOP	✓		
SENATOR HALLIGAN, VICE CHAIRMAN	✓		
SENATOR McCALLUM, CHAIRMAN	✓		

Each day attach to minutes.

Corr #1

AMENDMENT TO SB 162

1. Page 16, line 4, following "tax penalties"
   Strike "and"
   Following "interest"
   Insert "costs and charges"

2. Page 21 line 21 following "(2)"
   Strike "If"
   Insert "(a) Except as provided in subsection (2)(b) if"

3. Page 22 line 2 following "the county"
   Strike "treasurer"
   Insert "clerk"

4. Page 22 following line 7
   Insert "(b) If the county commissioners direct the county treasurer to issue a tax deed within six months subsequent to giving of the notice required by subsection (1)(a) no additional notice need be given."

5. Page 63 line 21 following (1)
   Strike "For"
   Insert "(a) Except as provided in subsection (1)(b) for"

6. Page 63 line 25 following "1, 1988."
   Insert "(b) A tax deed may be issued between the effective date of this act and July 1, 1988 if the tax deed is issued for property on which property taxes are delinquent for 1982 and prior years."

SENATE TAXATION
EXHIBIT NO. 1
DATE 1-31-87

MISSOULA FINANCE OFFICE
201 W. SPRUCE • MISSOULA, MT 59802-4297 • (406) 721-4700

FINANCE AND DEBT MANAGEMENT
BUDGET AND ANALYSIS
ACCOUNTING
CITY CLERK
UTILITY BILLING
RISK MANAGEMENT

CITY OF MISSOULA TESTIMONY ON SENATE BILL NUMBER 162

The City of Missoula opposes Senate Bill 162 as written, even though it deals well with some existing problems in tax deed and tax collection procedures. The City commends the Legislature and the Revenue Oversight Committee for its work on this complex and difficult subject. The City of Missoula would support this bill except for two major problem areas.

The first problem area deals with a city's inability to initiate the tax deed process without going through the procedures as a citizen would. As this bill is written, counties are under no obligation to take a tax deed even after the three year redemption period has expired (page 20, lines 16-19). However, cities are required to rely on the counties for tax deed and tax sale procedures even if the cities collect their own property taxes and SID assessments (7-6-4423 MCA). The only method for cities to go through tax deed procedures is if they act as citizens and pay all of the tax and SID delinquencies. The difficulty with this method is that if the proceeds from the eventual disposition of the property do not recover the full amount of delinquencies, the city loses money while the other taxing jurisdictions come out whole, because the city has to pay all delinquencies. If the county had taken tax deed and sold the property for less than the full amount of delinquencies, all taxing jurisdictions would share in the loss on a pro rata basis.

While this issue may not sound very significant, with the widely publicized SID delinquency problem in Montana, the money involved can be large. One example from Missoula may help to point out the extent of the problem. Attached to this testimony is a copy of a correspondence from the Missoula County Treasurer's Office which describes that the City of Missoula will have to pay over $825,000 to take the tax deed to 61 lots and the common area in a failed subdivision. The City will receive back over $795,000 of the $825,000 for City taxes and SID delinquencies, but will lose $30,000 to pay other taxing jurisdictions their full amount of taxes. When all costs of this failed subdivision are totalled, the City will have paid $995,770 for the 61 lots and common area, an average cost of approximately $16,300 per lot. These lots have been appraised at approximately $4,300 each (free and clear of all encumbrances) in today's market. The stakes are obviously large and this type of situation has been repeated elsewhere throughout the state. The City of Missoula may only receive twenty-five cents on the dollar for these delinquencies, but still had to pay 100% of the other taxing jurisdictions' encumbrances in order to obtain the properties.

One of two alternatives can be suggested to alleviate this problem. Either the County Commissioners should be compelled to take tax deed at the end of the redemption period so that the situation is not strung out and compounded, or cities should be allowed to acquire tax deeds at no cost and then share the proceeds from the sale of the property with the other taxing jurisdictions on a pro rata basis just as is now required if a county takes a tax deed. The second option is the preferred option of cities and was adopted by the Montana League of Cities and Towns as an initiative for this legislative session (see attached Resolution 1986-21).

SENATE TAXATION
EXHIBIT 2
DATE 1-31-87

The City of Missoula's second problem area deals with a county's disposition of tax deeds once they have obtained them. Section 7-8-2304 MCA allows the county commissioners to sell tax deed property on contract terms for a period up to five years at 8% interest on outstanding principal. At least in Missoula County, the County does not share the interest from these contracts on a pro rata basis with the taxing jurisdictions, but deposits the 8% interest proceeds from these contracts into the general fund. The City of Missoula feels that the interest proceeds from these contracts should be distributed pro rata to all taxing jurisdictions until all jurisdictions are made whole, and then any remaining money would go to the general fund. This situation could be rectified by changing the words "All money received from purchasers..." in the tenth line of page 9 and the second line on page 35 of the bill to read "All money, including all proceeds received from term sales in Section 7-8-2304 MCA, received from purchasers...". The City of Missoula would support such a change.

Other than these issues, Senate Bill 162 goes a long way toward addressing the tax deed and tax collection problems. If these two issues can be resolved, the City of Missoula could support the bill. The City of Missoula appreciates your consideration of its position.

SENATE TAXATION
EXHIBIT NO. 2
DATE 1-3-87

MISSOULA COUNTY
OFFICE OF THE COUNTY TREASURER
P. O. BOX 7249
MISSOULA, MONTANA 59807

Date: January 22, 1987

To: Chuck Stearns, Fiscal Analyst
City of Missoula Finance Office

From: Beverly Hiday
Missoula County Treasurer-
Real Estate Supervisor

BEST COPY AVAILABLE

Ref: Hillview Heights #6 Subdivision

Attached are delinquent statements for the individual lots of the subdivision. The amounts indicated are taxes, penalty, interest; city specials, penalty and interest for each year of delinquency. Summary totals are also indicated.

The total amount due by February 3, 1987 is:

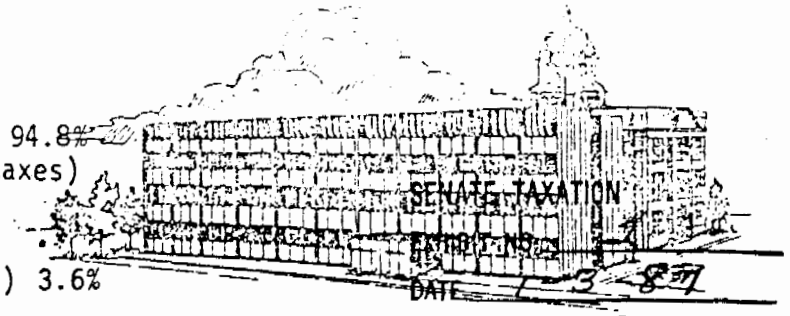
Principal-taxes and city specials	$60[illegible],668.76
Penalty	11,[illegible]36.16
Interest	20[illegible],[illegible]66.67
Total due	$[illegible]29,699.59

The date of the first "Treasurer's Tax Sale Certificate" is July 22, 1981. I have indicated the total principal amount within this sale on each printout to the far right. (*). The totals can be verified by adding those principal amounts due for 1981. (Taxes and city specials).

As agreed upon, the City check will not be in payment for the [illegible] we have encumbered our check to you for the City SID's. This exchange will occur when we have completed our reconciliation of the tax bills. Barring complications, the date of completion will hopefully be February 20, 1987. Efforts will be made to issue you the assignments within a few days of our receiving your payment check. These arrangements should meet with your approval.

Contact me should you have further questions regarding this transaction.

BREAKDOWN	bh/me APPROX	
CITY SID'S	$782,659	(Returned Immediately) 94.8%
CITY TAXES	$ 13,000	(Returned w/ monthly taxes)
CITY RECEIVES	$795,659	96.4%
OTHER TAXES	$ 30,000	(City loses this money) 3.6%



SENATE TAXATION
EXHIBIT NO. 3
DATE 1-30-87
BILL NO. S.B. - 162

The City of Missoula's second problem area deals with a county's disposition of tax deeds once they have obtained them. Section 7-8-2304 MCA allows the county commissioners to sell tax deed property on contract terms for a period up to five years at 8% interest on outstanding principal. At least in Missoula County, the County does not share the interest from these contracts on a pro rata basis with the taxing jurisdictions, but deposits the 8% interest proceeds from these contracts into the general fund. The City of Missoula feels that the interest proceeds from these contracts should be distributed pro rata to all taxing jurisdictions until all jurisdictions are made whole, and then any remaining money would go to the general fund. This situation could be rectified by changing the words "All money received from purchasers..." in the tenth line of page 9 and the second line on page 35 of the bill to read "All money, including all proceeds received from term sales in Section 7-8-2304 MCA, received from purchasers...". The City of Missoula would support such a change.

Other than these issues, Senate Bill 162 goes a long way toward addressing the tax deed and tax collection problems. If these two issues can be resolved, the City of Missoula could support the bill. The City of Missoula appreciates your consideration of its position.

SENATE TAXATION
EXHIBIT NO 2

RESOLUTION 1986-21

[illegible]ED THAT THE MONTANA LEAGUE OF CITIES AND TOWNS WILL [illegible]ISLATION IN 1987 THAT WILL 1) ALLOW CITIES TO ACQUIRE [illegible]ES, PROPERTIES WITH DELINQUENT SID'S WITHOUT PAYING [illegible]UTURE SID'S OR GENERAL PROPERTY TAXES SIMILAR TO THE [illegible] CURRENTLY AVAILABLE FOR COUNTIES; 2) MAKE IT EASIER [illegible] GOVERNMENTS TO DISPOSE OF TAX SALE PROPERTIES BY SHORTENING [illegible]IOD OF TIME IT CURRENTLY TAKES FOR A PURCHASER OF TAX SALE PROPERTY TO ACQUIRE A CLEAR TITLE, AND BY ELIMINATING RESTRICTIONS ON THE AMOUNT TAX SALE PROPERTIES MUST SELL FOR.

SENATE TAXATION
EXHIBIT NO. 2
DATE 1-31-87

DATE 1-31-87

COMMITTEE ON Senate Taxation

VISITORS' REGISTER SB 162, SJR 7

NAME	REPRESENTING	BILL #	Check One: Support	Opp
Dave Marshall	Dept of Admin/Info Serv.			
Chuck Stearns	City of Missoula	SB 162		✓
Tony Herbert	Administrator	SJR 7		
Greg Jackson	MTCIK+Rec Assn	SB 162	✓	
Dan Bucks	DOR	SJR 7	✓	
Diana Whitney	Hon Toy	SB 162	✓	
GENE PHILLIPS	MLTA	SB 162	Amend	
Gloria Palachuk	Richland Co Trans.	SB 162	✓	
Martha B. McLin	Lewis + Clark Co.	SB 162	✓	
John Courtney	MT County Treas Assoc	"	✓	
Susan Sturgeon	MT Co Treas Assoc Assoc	SB 162	✓	

(Please leave prepared statements with Secretary)

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

February 5, 1987

The seventeenth meeting of the Senate Taxation Committee was called to order at 8:00 A.M. on February 5, 1987 by Chairman George McCallum in Room 413/415 of the Capitol Building.

ROLL CALL: All committee members were present.

CONSIDERATION OF SB 266: Senator Van Valkenburg, Senate District 30, presented this bill to the committee. He said this bill would provide a statutory basis for the establishment of wineries in the state of Montana. The bill was introduced at the request of the founder and owner of the Mission Mountain Winery. This is the first winery in the state of Montana that he is aware of. At the outset they were using grapes grown in Washington but are now growing their own grapes in Montana. This spring they are prepared to bottle their first pure Montana wine. This bill would authorize them to sell the wine for off-premises consumption, provide without charge, the product for consumption on the premises and allow them to obtain a special event permit for a one day wine festival or something of that nature. The Department of Revenue has allowed the Mission Mountain Winery to do what this bill provides while awaiting approval of this bill.

PROPONENTS: Tom Campbell, owner,Mission Mountain Winery, gave testimony in support of this bill. He said he has been working on developing this new wine industry since 1979. He literally killed thousands of vines before finding four or five varieties that will produce grapes in Montana. He produced grapes in 1985 and vintaged those grapes in a champagne that will be released on Memorial Day. While his vineyard is growing, he is being supplied with grapes from the state of Washington. This has allowed him to enter the Montana market, as well as to export his wine to other areas of the county. This spring they will start marketing in Alberta. They are currently producing 7,000 cases of wine. This bill parallels the standards of the industry in allowing testing on premise, retail sales on premise and to purchase our alcoholic spirits for wine making from the proper state source.

CONSIDERATION OF HB 87: Representative Devlin, House District 25, presented this bill to the committee. He said this is an act extending the residential property tax credit for the elderly to elderly persons changing residence within Montana. This deals with the tax credit for the elderly. The way the law was written was that in order to be eligible for this credit he would have to have lived in the residence for six months. This bill eliminates the six month requirement. He said he did not believe there would be any fiscal impact on this bill.

PROPONENTS: None.

OPPONENTS: None.

QUESTIONS FROM THE COMMITTEE: None.

Representative Devlin closed.

DISPOSITION OF HB 87: Senator Mazurek made a motion that HB 87 BE CONCURRED IN. The motion carried.

DISPOSITION OF HB 151: Senator Crippen said the way the bill is written it would include interest starting after the next business day but not the penalty.

Senator Mazurek said before we act on that question, his SB 162 says that "One-half of the amount of such taxes shall be payable on or before 5 p.m. on November 30 of each year, or within 30 days after the notice is post-marked, whichever is later, and one-half on or before 5 p.m. on May 31 of each year." He said this language gives statutory authority to counties for the good of the tax-payers. He would suggest putting that in this bill if SB 162 does not pass.

Senator Crippen is in agreement with Senator Mazurek and also feels that the bill needs to be amended to include penalty.

Jim Lear said he could amend the bill as proposed by Senator Mazurek and Senator Crippon, on lines 19 and 22 of page 1 and lines 7 and 8 of page 2, and would change the title accordingly.

Senator Halligan would move those amendments. The motion carried.

Senator Mazurek made a motion that HB 151 BE CONCURRED IN AS AMENDED. The motion carried.

ROLL CALL

TAXATION COMMITTEE

50th LEGISLATIVE SESSION -- 1987 Date 2-5-87

NAME	PRESENT	ABSENT	EXCUSED
SENATOR CRIPPEN	✓		
SENATOR NEUMAN	✓		
SENATOR SEVERSON	✓		
SENATOR LYBECK	✓		
SENATOR HAGER	✓		
SENATOR MAZUREK	✓		
SENATOR ECK	✓		
SENATOR BROWN	✓		
SENATOR HIRSCH	✓		
SENATOR BISHOP	✓		
SENATOR HALLIGAN, VICE CHAIRMAN	✓		
SENATOR McCALLUM, CHAIRMAN	✓		

Each day attach to minutes.

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

February 11, 1987

The twenty-first meeting of the Senate Taxation Committee was called to order at 8:05 A.M. on February 11, 1987 by Chairman George McCallum in Room 413/415 of the Capitol Building.

ROLL CALL: All committee members were present with the exception of Senator Hager.

DISPOSITION OF SB 200: Senator Hirsch furnished the committee with the amendments attached as Exhibit 1, and explained that these were the easier of the amendments decided upon by the subcommittee dealing with changing the county treasurer as doing the assessing and inserting the assessor.

Senator Hirsch made a motion that these amendments be adopted. The motion carried.

Senator Hirsch said the bill neglected to keep the language in the bill which exempted disabled veterans and it was the thought from the subcommittee that we didn't want to tamper with that provision and to continue to extend that exemption to the disabled veterans. The amendments attached as Exhibit 2 provide for the continued exemption for disabled veterans.

Senator Hirsch made a motion that these amendments be adopted.

Senator Eck asked how a disabled veteran applies for a special license plate.

Jim Lear said 61-3-451 provides the provisions for a disabled veteran to obtain a special license plate. He read the statute to the committee.

Senator Hirsch's motion carried.

Senator Severson said we didn't discuss this in the subcommittee, it was discussed afterwards, and he also discussed this with Senator Smith; the bottom figure in the bill is $1,000 on value and he feels that should be $500. He would move that we amend the bill to provide the bottom figure on assessed value to be $500 instead of $1,000.

The motion carried with Senators Severson and Crippen opposed.

Senator Hirsch would move the bill DO PASS AS AMENDED. Senator Hirsch's motion carried 7-4. See attached roll call vote sheet.

DISPOSITION OF SB 162: Senator Mazurek furnished the committee with amendments to this bill, attached as Exhibit 5, and reviewed the amendments with the committee. He included an additional amendment to be inserted on page 28, line 6, to strike "by a utility".

Jim Lear explained that an amendment was omitted in the way of instruction. On page 27, line 22, following "free", insert "and clear", following "all", insert "liens and" and on page 27, line 23, strike "and clear of any and all claims". This would make the language consistent with what is used in real property transactions.

Senator Mazurek said this bill codifies the Attorney General Opinion that says once you become delinquent on your taxes you can't pay anything unless you pay everything that is owed. Amendment #10 and #11 say if a taxpayer is delinquent in his or her taxes, they can pay less than the full amount of the taxes due by paying all the penalty and interest up to the date of payment and if they want to pay one year back they can do that and the treasurer has to accept that payment. They can pay their obligation by paying the most recent taxes first so they don't get into the situation where someone is paying one year at a time but always is three years delinquent. This would allow a taxpayer to pay the current year plus one year back and eventually eliminate the delinquency, instead of paying all at one time. We are trying to balance the situation where somebody doesn't have to come up with all of his delinquent taxes at once, versus the situation where a taxpayer is always delinquent by three years. This will discourage that, but will not be as harsh as the law used to be. If you were three years delinquent and paid two years this year, and two years the next year; if you didn't go back and pay the first delinquent year, your property could still be sold.

Senator Neuman said if you still owe for a prior year, but are current for the last couple of years, could they still sell the property.

Senator Mazurek said that is a risk that a taxpayer will have to take. If he wants to hang onto his property he will have to pick up the last delinquency.

Senator Neuman asked if at the present time a partial payment could be paid on back taxes one complete year at a time.

Senator Mazurek said they have to pay all the delinquent taxes at once.

Senator McCallum said you would have to pay the penalty and interest first and then you would have to pay the current year.

Senator Mazurek said whatever you pay will be applied to the most recent tax due. He would come in in 1984 and hasn't paid 81, 82, and 83. The first thing he has to pay is all the penalty and interest. He then pays one year, which is applied to 1984, two years would go to 1983. Whatever is paid would be applied in reverse order.

Senator McCallum questions whether that would be fair. It would be fairer the other way.

Senator Hirsch asked what the interest rate is now.

Senator Mazurek said 5/6 of 1% per month on interest and 2% penalty.

Senator Bishop thinks the penalty and interest assessment is enough and we should not mess with the three year delinquency.

Senator Mazurek said this amendment is better than the Attorney General Opinion now.

Senator Mazurek made a motion to adopt the amendments furnished to the committee, except #10 and #11, including the amendments explained by Jim Lear to make the bill technically correct and the amendment on page 28, line 6, to strike "by a utility". The motion carried.

Senator Mazurek made a motion to adopt amendments #10 and #11.

Senator Crippen made a substitute motion that the bill be amended on page 38, line 21, through line 1 on page 39, to reflect that the taxpayer can pay delinquent taxes for the oldest year delinquent.

Senator McCallum said you are saying you can pay the taxes for the year that is farthest back, plus penalty and interest.

Senator Crippen said the same as Senator Mazurek's amendments but to make sure they are able to pay the most delinquent tax.

Senator Eck said this would allow them to always be a number of years delinquent.

Senator Severson said that is probably so in some cases but they are still paying interest on it and penalty.

Senator Lybeck said he knew of several taxpayers, at the time when interest rates were higher and the county rates lower, who took advantage of staying delinquent.

Senator Crippen said some do take advantage of this. We are talking about taking away a person's property. He would rather make a mistake on the side of the taxpayer than on the side of the county.

Jim Lear asked for clarification. Does this proposed amendment include penalty and interest being paid first and then the tax for the first delinquent year can be paid.

Senator Crippen said the county treasurer could not accept less than 1 year's delinquent taxes, plus all penalty and interest due on the date of the delinquent payment. The taxes due for the tax year that is delinquent the longest, must be paid before any subsequent year.

Senator Crippen's motion carried 6-5. See attached roll call vote sheet.

Senator Mazurek would move two other techical amendments that were brought to his attention. On page 23, line 9, it is not only the County Clerk who may be required to give notice. On page 23, line 9, strike "county clerk" and insert "person required to give notice". Then on page 25, line 12, we need to insert "county treasurer" after "county clerk".

Senator Mazurek's motion carried.

Senator Mazurek made a motion that SB 162 DO PASS AS AMENDED. The motion carried.

DISPOSITION OF SB 309: Senator Crippen likes the idea of the bill. He is in favor of putting accessible area in the bill but has some concern with the trip generation factor. This is new language and he can see some problems with this, especially in a large commercial area on a street. He understands this is to try to be equitable but it is extremely difficult to come up with an objective standard to make this determination. He does not like the trip generation factor being used as one of the options.

ROLL CALL

TAXATION COMMITTEE

50th LEGISLATIVE SESSION -- 1987 Date 2-11-87

NAME	PRESENT	ABSENT	EXCUSED
SENATOR CRIPPEN	✓		
SENATOR NEUMAN	✓		
SENATOR SEVERSON	✓		
SENATOR LYBECK	✓		
SENATOR HAGER			✓
SENATOR MAZUREK	✓		
SENATOR ECK	✓		
SENATOR BROWN	✓		
SENATOR HIRSCH	✓		
SENATOR BISHOP	✓		
SENATOR HALLIGAN, VICE CHAIRMAN	✓		
SENATOR McCALLUM, CHAIRMAN	✓		

Each day attach to minutes.

Amend Senate Bill No. 162, Introduced Copy

1. Page 16, line 4.
Strike: "and"
Insert: ","
Following: "interest"
Insert: ", costs, and charges"

2. Page 16, line 21.
Strike: "security"

3. Page 17, line 1.
Strike: "holder"
Insert: "vendor"

4. Page 17, line 2.
Following: "deed"
Insert: "or his successor in interest"

5. Page 17, lines 3 and 4.
Strike: "perfected security" on line 3
Insert: "recorded"
Following: "property" on line 3
Strike: "duly recorded with the county clerk"

6. Page 21, line 21.
Strike: "If"
Insert: "(a) Except as provided in subsection (2)(b), if"

7. Page 22, line 2.
Strike: "treasurer"
Insert: "clerk"

8. Page 22.
Following: line 7
Insert: "(b) If the county commissioners direct the county treasurer to issue a tax deed within 6 months after giving the notice required by subsection (1)(a), no additional notice need be given."

9. Page 28, line 6.
Following: "easement"
Insert: ", servitude, covenant, restriction, reservation, or similar burden lawfully imposed on the property"

10. Page 38, line 22.
Strike: "not" and "partial"

11. Page 38, lines 23 and 24.
Following: "taxes" on line 23
Strike: ", but may accept only the total amount of delinquent taxes"
Insert: "for the most recent tax year"

SENATE TAXATION
EXHIBIT NO. 5
DATE 2-11-87
SB-162

Following: "including" on line 24
Insert: "all accrued"
Following: "costs" on line 24
Insert: ", without receiving payment for a prior delinquent tax year. Such payment does not affect the operation of the tax deed procedures for the prior unsatisfied tax delinquencies."

12. Page 63, line 21.
Strike: "For"
Insert: "(a) Except as provided in subsection (1)(b), for"

13. Page 63.
Following: line 25
Insert: "(b) A tax deed may be issued between [the effective date of this act] and July 1, 1988, if the tax deed is issued for property on which property taxes are delinquent for 1982 and prior years. In such a case the tax deed is to be issued based on the procedures provided for in [this act]."

SENATE TAXATION
EXHIBIT NO. 5
DATE 2-11-87

ROLL CALL VOTE

SENATE COMMITTEE TAXATION

Date February 11, 1983 Bill No. SB 162 Time 9:45 A.M.

NAME	YES	NO
SENATOR CRIPPEN	✓	
SENATOR NEUMAN		✓
SENATOR SEVERSON	✓	
SENATOR LYBECK		✓
SENATOR HAGER	ABSENT	
SENATOR MAZUREK		✓
SENATOR ECK	✓	
SENATOR BROWN	✓	
SENATOR HIRSCH		✓
SENATOR BISHOP	✓	
SENATOR HALLIGAN, VICE CHAIRMAN		✓
SENATOR McCALLUM, CHAIRMAN	✓	

Aggie Hamilton
Secretary

Senator George McCallum
Chairman

Motion: Senator Crippen's substitute motion that the taxpayer can pay delinquent taxes for the oldest year delinquent.

The motion carried 6-5.

STANDING COMMITTEE REPORT

SCRSB162

February 11, 1987

MR. PRESIDENT

We, your committee on Taxation

having had under consideration Senate Bill No. 162

first white reading copy (color)

GENERAL REVISION OF PROPERTY TAX COLLECTION, DELINQUENCY, AND DEED PROCESS

Respectfully report as follows: That Senate Bill No. 162

BE AMENDED AS FOLLOWS;

1. Page 16, line 4.
Strike: "and"
Insert: ","
Following: "interest"
Insert: ", costs, and charges"

2. Page 16, line 21.
Strike: "security"

3. Page 17, line 1.
Strike: "holder"
Insert: "vendor"

4. Page 17, line 2.
Following: "deed"
Insert: "or his successor in interest"

5. Page 17, lines 3 and 4.
Strike: "perfected security" on line 3
Insert: "recorded"
Following: "property" on line 3
Strike: "duly recorded with the county clerk"

6. Page 21, line 21.
Strike: "If"
Insert: "(e) Except as provided in subsection (2)(b), if"

XXXXXX

XXXXXXXXX

CONTINUED

Chairman.

7. Page 22, line 2.
Strike: "treasurer"
Insert: "clerk"

8. Page 22.
Following: line 7
Insert: "(b) If the county commissioners direct the county treasurer to issue a tax deed within 6 months after giving the notice required by subsection (1)(a), no additional notice need be given."

9. Page 23, line 9.
Strike: "county clerk"
Insert: "person required to give notice"

10. Page 25, line 12.
Following: "county clerk,"
Insert: "county treasurer,"

11. Page 27, line 22.
Following: "free"
Insert: "and clear"

12. Page 27, line 22.
Following: "all"
Insert: "liens and"

13. Page 27, line 23
Strike: "and clear of any and all claims"

14. Page 28, line 6.
Following: "easement"
Strike: "by a utility"
Insert: ", servitude, covenant, restriction, reservation, or similar burden lawfully imposed on the property"

15. Page 38, line 22.
Strike: "not" and "partial"
Before: "payment"
Insert: "less than total"

February 11, 19 87

16. Page 38, lines 23 and 24.
Following: "taxes," on line 23
Strike: "but may accept only the total amount of delinquent taxes, including penalties, interest, and costs"
Insert: "subject to the following:
(a) the county treasurer may not accept less than 1 year's delinquent taxes, plus all penalties and interest due on the date of the delinquent payment; and
(b) the taxes due for the tax year that is delinquent the longest must be paid before any subsequent year"

17. Page 63, line 21.
Strike: "For"
Insert: "(a) Except as provided in subsection (1)(b), for"

18. Page 63.
Following: line 25
Insert: "(b) A tax deed may be issued between [the effective date of this act] and July 1, 1989, if the tax deed is issued for property on which property taxes are delinquent for 1982 and prior years. In such a case the tax deed is to be issued based on the procedures provided for in [this act]."

AND AS AMENDED

DO PASS

Senator McCallum, Chairman

STATUS SHEET

50th LEGISLATIVE SESSION

TAXATION COMMITTEE

SENATE BILL NUMBER	ENTERED COM. DATE	DATE CON-SIDERED	OUT OF COM.	DO PASS DATE	DO NOT PASS DATE	DO PASS AS AMENDED DATE	DO NOT PASS AS AMENDED DATE	BE CON-CURRED IN DATE	BE NOT CON-CURRED IN DATE	BE CON-CURRED IN AMENDED DATE	BE NOT CONCURRI IN AS AMENDEI DATE
122	2/4/87	2/17/87						2/20/87			
129	2/4/87	3/5/87	4/6/87	tabled							
145	2/11/87	3/16/87						3/25/87			
146	2/11/87	3/16/87						3/25/87			
147	2/11/87	3/16/87						3/25/87			
150	2/23/87	3/13/87	4/8/87	tabled							
162	2/23/87	3/~~17~~ 26/87						4/9/87			
177	2/23/87	3/17/87						4/6/87			
179	2/23/87	3/17/87	4/10/87	tabled							
183	3/3/87	3/25/87								4/10/87	
200	2/23/87	3/12/87								4/10/87	
224	2/18/87	3/18/87						4/7/87			
228	3/13/87	3/30/87								4/9/87	
266	2/23/87	3/18/87						4/6/87			

Use a separate sheet for Senate Bills, House Bills, and Resolutions.

SENATE BILL NO. 162

INTRODUCED BY MAZUREK

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE LAWS RELATING TO PROPERTY TAX COLLECTIONS, PROPERTY TAX DELINQUENCIES, AND THE TAX DEEDING PROCESS; AMENDING SECTIONS 7-6-4414, 7-21-2104, 15-16-101, 15-16-102, 15-16-111 THROUGH 15-16-115, 15-16-117, 15-16-301 THROUGH 15-16-303, 15-16-305, 15-16-401, 15-16-402, 15-16-404, 15-16-504, 15-16-601, 15-16-701 THROUGH 15-16-704, 15-23-704, 15-24-302, 20-15-403, 76-13-211, 85-7-2152, 85-7-2154 THROUGH 85-7-2156, AND 85-7-2163, MCA; REPEALING SECTIONS 15-16-116, 15-16-501, 15-16-502, 15-16-505, 15-17-101, 15-17-102, 15-17-111 THROUGH 15-17-113, 15-17-201 THROUGH 15-17-208, 15-17-301 THROUGH 15-17-305, 15-17-311, 15-17-312, 15-17-901 THROUGH 15-17-903, 15-18-101 THROUGH 15-18-108, 15-18-201 THROUGH 15-18-205, 15-18-301 THROUGH 15-18-309, AND 15-18-401 THROUGH 15-18-404, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Definitions. Except as otherwise specifically provided, when terms mentioned in [sections 1 through 26] are used in connection with taxation, they are defined in the following manner:

(1) "Certificate" or "tax sale certificate" means the document described in [section 6].

(2) "County" means any county government and includes those classified as consolidated governments.

(3) "Property tax lien" means a lien acquired by the payment at a tax sale of all outstanding delinquent taxes, including penalties, interest, and costs.

(4) "Purchaser" means any person, other than the person to whom the property is assessed, who pays at the tax sale the delinquent taxes, including penalties, interest, and costs, and receives a certificate representing a lien on the property or who is otherwise listed as the purchaser. An assignee is a purchaser.

(5) "Tax", "taxes", or "property taxes" means all ad valorem property taxes, property assessments, fees related to property, and assessments for special improvement districts and rural special improvement districts.

(6) "Tax sale" means:

(a) with respect to real property and improvements, the offering for sale by the county treasurer of a property tax lien representing delinquent taxes, including penalties, interest, and costs; and

(b) with respect to personal property, the offering for sale by the county treasurer of personal property on

which the taxes are delinquent or other personal property on which the delinquent taxes are a lien.

NEW SECTION. Section 2. Notice of pending tax sale. (1) The county treasurer shall publish or post a notice of pending tax sale. The notice must include:

(a) the specific time, date, and place an interest in the property on which the taxes are delinquent will be offered for sale;

(b) a statement that the delinquent taxes, including penalties, interest, and costs, are a lien upon the property and that unless the delinquent taxes, penalties, interest, and costs are paid prior to the time of the tax sale, the lien will be offered for sale at the time and place specified in subsection (1)(a).

(2) The notice required in subsection (1) must also include a statement that a list of each property on which the taxes are delinquent is on file in the office of the county treasurer and open to inspection. The list must include:

(a) the name and address of the person to whom the delinquent taxes are assessed;

(b) the amounts of the delinquent taxes, all accrued penalties, interest, and other costs; and

(c) a statement that penalties, interest, and costs will be added to delinquent taxes.

(3) The notice must be published once a week for 3 consecutive weeks in the newspaper designated for county printing as provided in 7-5-2411. If no newspaper is published in the county, the notice must be posted by the county treasurer in three public places. The notice must be first published or posted on or before the last Monday in June.

(4) Except as provided in [section 5(2)], the sale may not be held less than 21 days or more than 28 days from the date of first publication or first day the notice is posted.

(5) The sale must be held at the county courthouse.

(6) Property on which taxes are delinquent but for which proper notification was not made may not be included in the current year's notice and sale. In the event of improper notification, the sale may be held on all property properly noticed.

NEW SECTION. Section 3. Copy of notice to be filed with county clerk -- affidavit. (1) Immediately following publication or posting of the notice required in [section 2], the county treasurer shall file a copy of the notice with the county clerk. The copy must be accompanied by an affidavit signed by the county treasurer stating:

(a) the name of the newspaper and its address of publication; and

(b) the dates the notice was published.

(2) If no newspaper is published in the county, the affidavit must list the locations and date of the posting required by [section 2].

(3) The affidavit filed under subsection (1) or (2) is prima facie evidence of all the facts stated therein.

NEW SECTION. Section 4. Irregular assessment. If the county treasurer discovers, prior to the tax sale, that property on which the taxes are delinquent has been irregularly assessed, he may not offer the property or a property tax lien for sale. In such event, the taxes on the property must be listed on the assessment book as uncollected for the year in which they were due, and they must be assessed and collected during the succeeding year as taxes are regularly assessed and collected.

NEW SECTION. Section 5. Conduct of tax sale. (1) On the date and at the time and place specified in the notice, the county treasurer shall, except as provided in [section 4], begin the tax sale of all property described in the list required in [section 2(2)]. The tax sale must continue until the county treasurer declares it over, but must continue for a period of not less than 1 day. The treasurer is not required to read the list but shall make a copy of the list available for public inspection during regular business hours.

(2) The treasurer may postpone the day of commencing

the sale on a day-to-day basis without publishing a new notice, provided that the sale is held within 3 weeks from the day first fixed.

(3) Property assessed under [section 12] that has not been sold to a purchaser other than the county may, at the discretion of the county treasurer, be offered for sale at tax sales subsequent to the sale at which it was first offered.

NEW SECTION. Section 6. Tax sale certificate. (1) Upon receipt of all delinquent taxes, penalties, interest, and costs, the county treasurer shall prepare a tax sale certificate that must contain:

(a) the date on which the property taxes became delinquent;

(b) the date on which a property tax lien was sold at a tax sale;

(c) the name and address of record of the person to whom the taxes were assessed;

(d) a description of the property on which the taxes were assessed;

(e) the name and mailing address of the purchaser;

(f) the amount paid to liquidate the delinquency, including a separate listing of the amount of the delinquent taxes, penalties, interest, and costs;

(g) a statement that the certificate represents a lien

on the property that may lead to the issuance of a tax deed for the property;

(h) a statement specifying the date on which the purchaser will be entitled to a tax deed; and

(i) an identification number corresponding to the tax sale certificate number recorded by the county treasurer as required in [section 7].

(2) The certificate must be signed by the county treasurer and delivered to the purchaser. A copy of the certificate must be filed by the treasurer in the office of the county clerk.

NEW SECTION. Section 7. Treasurer to record tax sales. Prior to delivering the tax sale certificate to the purchaser, the county treasurer shall make a record of the tax sale. The record must include:

(1) the name and address of the purchaser;

(2) the date on which the tax lien was purchased;

(3) a description of the property on which the certificate is a lien, which description must correspond to the description listed on the certificate;

(4) the amount paid to liquidate the delinquency, including a separate listing of the amount of the delinquent taxes, penalties, interest, and costs; and

(5) a number identifying the tax sale certificate issued upon payment of the delinquency.

NEW SECTION. Section 8. County as purchaser -- assignment. (1) If no person pays the delinquent taxes, including penalties, interest, and costs, on the first day of the tax sale, the county is considered to be the purchaser.

(2) (a) After the 21st day following the first day of the tax sale, the county treasurer shall identify and list all property that was sold at the tax sale. He shall also record that the county is the purchaser of all property remaining unsold and upon which the taxes remain delinquent.

(b) The record of the property in which the county is listed as the purchaser may be made by the treasurer by a separate tax sale certificate of each property or by reference to the property as recorded in the list required under 15-16-301.

(3) A property tax lien of the county in any property acquired by the county under subsection (1) must be assigned by the county treasurer as provided in [section 11] upon the payment of all delinquent taxes, including penalties, interest, and costs specified in [section 11].

NEW SECTION. Section 9. Resale for nonpayment. (1) If a purchaser other than the county does not pay the delinquent taxes, including penalties, interest, and costs, before 10 a.m. on the next business day following the day of purchase at a tax sale, the property must be made

available for sale for the amount of the delinquent taxes, including penalties, interest, and costs, on the following business day of the sale, except as provided in subsection (2).

(2) If the sale was made on the last day of the tax sale and payment was not received as provided in subsection (1), the county is considered to be the purchaser as provided in [section 8].

NEW SECTION. Section 10. Disposition of money from tax sale. All money received from purchasers for delinquent taxes, penalties, interest, and costs must be deposited in the county treasury. The money received, other than costs, must be credited to the various funds to which the taxes would have originally been distributed and in the same proportion as the taxes would have originally been distributed. Any money received for costs or any money remaining after crediting the separate funds must be deposited to the credit of the county general fund.

NEW SECTION. Section 11. Assignment of rights -- form. (1) Any tax sale certificate or other official record in which the county is listed as the purchaser must be assigned by the county treasurer to any person who pays to the county the amount of the delinquent taxes, including penalties, interest, and costs, accruing from the date of delinquency.

(2) The assignment made under subsection (1) must be in the form of an assignment certificate in substantially the following form:

I, ..., the treasurer of .... County, state of Montana, hereby certify that a tax sale for tax year 19.., in the county of ...., was held on .... (date), for the purpose of liquidating delinquent assessments, and I further certify that a property tax lien for delinquent taxes in the following property: (insert property description) was offered for sale and that there was no purchaser of the property tax lien. Accordingly, the county was listed as the purchaser as required by [section 8], MCA. As of the date of this certificate, the delinquency, including penalties, interest, and costs amounting to $...., has not been liquidated by the person to whom the property was assessed, nor has the delinquency been otherwise redeemed.

There having been no liquidation of the delinquency or other redemption, I hereby assign all rights, title, and interest of the county of ...., state of Montana, acquired in such property by virtue of the sale to .... (name and address of assignee) to proceed to obtain a tax deed to the property or receive payment in case of redemption as provided by law.

Witness my hand and official seal of office this .... day of ...., 19...

..... County Treasurer

..... County

(3) An assignment made by a purchaser other than the county, by an assignee of the county, or by a previous assignee may be made for any consideration whatsoever. An assignment so made is legal and binding only upon filing with the county treasurer a statement that the purchaser's or other assignee's interest in the property has been assigned. The statement must contain:

(a) the name and address of the new assignee;

(b) the name and address of the original purchaser of the tax sale certificate;

(c) the name and address of each previous assignee, if any;

(d) a description of the property upon which the property tax lien was issued, which description must contain the same information as contained in the tax sale certificate or assignment certificate, as appropriate;

(e) the signature of the party, be it purchaser or assignee, making the assignment;

(f) the signature of the new assignee; and

(g) the date on which the statement was signed.

(4) If the certificate described in subsection (1) or the statement described in subsection (3) is lost or destroyed, the county treasurer shall, upon adequate proof

and signed affidavit by the assignee that loss or destruction has occurred, issue a duplicate certificate to the assignee.

(5) The provisions of this section apply to any sale of land for which a treasurer's deed was not issued on or before March 5, 1917, or for which a tax deed was not issued on or before [the effective date of this act], and the holder of any certificate described in subsection (1) has the same rights, powers, and privileges with regard to securing a deed as any purchaser of land at a tax sale may now have.

NEW SECTION. Section 12. Assessment of property sold at tax sale. (1) The assessment of property on which a tax sale certificate has been issued or for which the county is listed as the purchaser as provided in [section 8] continues in the same manner as other property is assessed.

(2) If any assessed taxes are not paid when due, they are delinquent.

NEW SECTION. Section 13. Sale not voided by misnomer of ownership. When a tax sale certificate is acquired as provided in [section 6] or when the county is listed as the purchaser as provided in [section 8] and the taxes were properly assessed on the property of a particular person, no misnomer of ownership or other mistake relating to ownership affects the sale or renders it void or voidable.

NEW SECTION. Section 14. Voided sale -- refund -- limitation on action for royalty interest. (1) If a tax sale held under the provisions of [sections 1 through 15] is declared void by a court for irregularity in the assessment, levy, or sale, the money paid by the purchaser at the sale or by any assignee must be refunded, with interest at the rate payable upon delinquencies as provided in 15-16-102 from the date of the payment, to the purchaser or owner of the tax sale certificate, together with any penalty paid by the purchaser.

(2) Following the payment of a refund as provided in subsection (1), the county is considered the purchaser and has a property tax lien upon the property for the legal taxes on the property accruing from the date of delinquency, plus penalties and interest as provided in 15-16-102. Any money refunded that was received as provided in [section 6] and distributed by the treasurer to the state or a city, town, or district, respectively, must be charged to the state, city, town, or district by the treasurer and deducted from the next money due the state, city, town, or district, respectively, on account of taxes paid or collected. A purchaser of a property tax lien or owner thereof by assignment where sales have been made by a city or town which by resolution or ordinance collects its own taxes instead of having the same collected by the county treasurer

must be reimbursed in similar manner and in similar circumstances out of the city or town treasury upon order of the mayor or, where applicable, the city manager or chairman of the city commission. The city or town clerk or city or town treasurer, as appropriate, shall make proper charges and deductions against the respective funds of the city or town upon the next collection of taxes by the city or town.

(3) The purchaser has a lien upon the property for the amount of taxes, penalties, interest, and costs paid, with the interest to be at the rate specified for delinquencies in 15-16-102. If the purchaser is in possession of the property and resides thereon, he may not be ejected from the property until his lien has been liquidated.

(4) All affirmative defenses at law or equity, including but not limited to estoppel, laches, and adverse possession, may apply in a suit brought to challenge the title to a royalty interest in land claimed to have been acquired by a county by tax deed.

(5) An action against a county to recover a royalty interest in land acquired by the county by tax deed must be brought within the period prescribed in 27-2-210.

NEW SECTION. Section 15. Sale of personalty for delinquent taxes -- fee -- disposition of proceeds -- unsold property. (1) The tax on personal property may be collected and payment enforced by the seizure and sale of any personal

property in the possession of the person assessed. Seizure and sale are authorized at any time after the date the taxes become delinquent or by the institution of a civil action for its collection in any court of competent jurisdiction. A resort to one method does not bar the right to resort to any other method. Any of the methods provided may be used until the full amount of the tax is collected.

(2) The provisions of 15-16-113 and this section apply to a seizure and sale under subsection (1).

(3) A sale under subsection (1) must be at public auction. The minimum bid for any property offered for sale must be of a sufficient amount to pay the delinquent taxes, including penalties, interest, and costs.

(4) For seizing and selling personal property, the treasurer shall charge $25, plus the mileage allowance provided by law to the sheriff, plus reasonable expenses for seizing, handling, keeping, or caring for any property so seized. The charge and other costs may only be charged when property is actually seized and offered for sale or sold.

(5) On payment of the price bid for any property sold as provided in this section, delivery of the property, with a bill of sale, vests the title of the property in the purchaser.

(6) (a) All money collected from the sale of property in liquidation of the delinquency, including delinquent

taxes, penalties, and interest, but not costs, must be credited by the treasurer to the appropriate funds.

(b) Any money collected in excess of the delinquent tax penalties, ~~and~~ interest, COSTS, AND CHARGES must be returned to the person owning the property prior to the sale, if known. If the person does not claim the excess immediately following the sale, the treasurer shall deposit the money in the county treasury for a period of 1 year from the date of sale. If the person has not claimed the excess within 1 year from the date of sale, the county treasurer shall deposit the amount in the county general fund and the person has no claim to it thereafter.

(7) Any property seized for the purpose of liquidating a delinquency by a tax sale that remains unsold following a sale may be left at the place of sale at the risk of the owner.

NEW SECTION. Section 16. Time for redemption -- interested party. (1) Redemption of a property tax lien acquired at a tax sale or otherwise may be made by the owner, the holder of an unrecorded or improperly recorded ~~security~~ interest, the occupant of the property, or any interested party within 36 months from the date of the first day of the tax sale or within 60 days following the giving of the notice required in [section 21], whichever is later.

(2) For the purposes of [sections 16 through 26], an

"interested party" includes a mortgagee, ~~holder~~ VENDOR of a contract for deed OR HIS SUCCESSOR IN INTEREST, lienholder, or other person who has a properly ~~perfected security~~ RECORDED interest in the property ~~duly recorded with the county clerk~~. A person having an interest in property on which there is a property tax lien but which interest is not properly recorded is not an interested party for the purposes of [sections 16 through 26].

NEW SECTION. Section 17. Redemption from property tax lien. In all cases where a property tax lien has been acquired, the purchaser may pay the subsequent taxes assessed against the property. Upon the redemption of the property from the property tax lien, the redemptioner shall, in addition to the amount for which the property tax lien was sold, including penalties, interest, and costs, pay the subsequent taxes paid by the purchaser with interest thereon, at the rate established for delinquent taxes in 15-16-102, from the date of the payment of the taxes, penalties, interest, and costs.

NEW SECTION. Section 18. Treasurer to record redemptions. Upon payment of all delinquent taxes, including penalties, interest, and costs, by the person to whom taxes were assessed or his agent to the county treasurer and refunded to the person listed as purchaser as provided in [section 6(1)(e)], [section 7], or [section 8] or

distributed as provided in [section 19], the word "redeemed", the date, and the name of the redemptioner must be marked on the tax sale certificate or in the record required in [section 8] by the county treasurer.

NEW SECTION. Section 19. Distribution of redemption proceeds. (1) When a property tax lien for which the county is listed as purchaser is redeemed, the money received from the redemption, including penalties and interest but not costs, must be distributed to the credit of the various funds to which the taxes would have originally been distributed and in the same proportion as the taxes would have originally been distributed.

(2) (a) When a property tax lien for which the recorded purchaser is other than the county is redeemed, the money received from the redemption, including penalties and interest but not costs, must be distributed to the person listed as the purchaser on the tax sale certificate and in the record kept by the county treasurer.

(b) (i) The distribution must be made by certified mail by the county treasurer to the purchaser at the address listed on the tax sale certificate as provided in [section 6(1)(e)].

(ii) If the money distributed to the purchaser is returned unopened to the county treasurer, the treasurer shall publish once a week for 2 consecutive weeks in the

official newspaper of the county a notice stating that:

(A) the county treasurer is in possession of money belonging to the purchaser for the redemption of the delinquency on the property named in the tax sale certificate;

(B) the money will be held by the county treasurer for a period of 1 year from the date of publication; and

(C) if the money is not claimed by the purchaser within the 1-year period, the purchaser relinquishes all claim to the money and the money will be credited to the county general fund.

(3) The publication required in subsection (2)(b)(ii) must be made at least annually, but the 1-year period described in subsection (2)(b)(ii)(B) may not begin until the date of publication.

(4) The county treasurer shall keep an accurate account of all money paid in redemption, including a separate accounting of other delinquent taxes, interest, penalties, and costs, and when and to whom distributed.

NEW SECTION. Section 20. Tax deed -- fee. (1) Except as provided in subsection (3), if the property tax lien is not redeemed in the time allowed under [section 16], the county treasurer shall grant the purchaser a tax deed for the property. The deed must contain the same information as is required in a tax sale certificate under [section 6],

except the description of the property must be the full legal description, and a statement that the property tax lien was not redeemed during the redemption period provided in [section 16].

(2) (a) Except as provided in subsection (2)(b), the county treasurer shall charge the purchaser $25 plus all actual costs incurred by the county in giving the notice or assisting another purchaser or assignee in giving the notice required in [section 21] for making the deed, which fee must be deposited in the county general fund.

(b) If the purchaser is the county, no fee may be charged for making the deed.

(c) Reasonable costs incurred by the county in searching the county records to identify persons entitled to notice are considered part of the actual costs of the notice provided in subsection (2)(a).

(3) If the purchaser is the county and no assignment has been made, the county treasurer may not issue a tax deed to the county unless the board of county commissioners, by resolution, directs him to issue a tax deed.

(4) Deeds issued to purchasers must be recorded by the county clerk as provided in Title 7, chapter 4, part 26, except that when the county is the purchaser and subsequent tax deed holder, the county clerk may not charge a fee for recording the deed.

NEW SECTION. Section 21. Notice -- proof of notice -- penalty for failure to notify. (1) Not more than 60 days prior to and not more than 60 days following the expiration of the redemption period provided in [section 16], a notice must be given as follows:

(a) for each property for which there has been issued to the county a tax sale certificate or for which the county is otherwise listed as the purchaser or assignee, the county clerk shall notify all persons considered interested parties in the property and the current occupant of the property, if any, that a tax deed may be issued to the county unless the property tax lien is redeemed prior to the expiration date of the redemption period; or

(b) for each property for which there has been issued a tax sale certificate to a purchaser other than the county, or for which an assignment has been made, the purchaser or assignee, as appropriate, shall notify all persons considered interested parties in the property, if any, that a tax deed will be issued to the purchaser or assignee unless the property tax lien is redeemed prior to the expiration date of the redemption period.

(2) ~~If~~ (A) EXCEPT AS PROVIDED IN SUBSECTION (2)(B), IF the county is the purchaser, no assignment has been made, and the board of county commissioners has not directed the county treasurer to issue a tax deed during the period

described in subsection (1), but the board of county commissioners at a time subsequent to the period described in subsection (1) does direct the county treasurer to issue a tax deed, the county ~~treasurer~~ CLERK must provide notification to all interested parties and the current occupant, if any, in the manner provided in subsection (1)(a). The notification required under this subsection must be made not less than 60 days or more than 90 days prior to the date on which the county treasurer will issue the tax deed.

(B) IF THE COUNTY COMMISSIONERS DIRECT THE COUNTY TREASURER TO ISSUE A TAX DEED WITHIN 6 MONTHS AFTER GIVING THE NOTICE REQUIRED BY SUBSECTION (1)(A), NO ADDITIONAL NOTICE NEED BY GIVEN.

(3) (a) If a purchaser other than the county or an assignee fails or neglects to give notice as required by subsection (1)(b), which failure or neglect is evidenced by failure of the purchaser or assignee to file proof of notice with the county clerk as required in subsection (7), the county treasurer shall proceed to give notice in the manner provided in subsection (1)(a).

(b) Notice given under this subsection (3) must be given not less than 60 days or more than 90 days prior to the date on which the county treasurer will issue the tax deed.

(c) A purchaser or assignee who fails to give notice as required by subsection (1)(b), thereby forcing notification to be given under this subsection (3), must be charged a penalty of $500 plus all actual costs of notification incurred by the county proceeding under this subsection (3).

(4) The notice required under subsections (1) through (3) must be made by certified mail to each interested party and the current occupant, if any, of the property. The address to which the notice must be sent is, for each interested party, the address disclosed by the records in the office of the county clerk and, for the occupant, the street address or other known address of the subject property.

(5) In all cases in which the address of an interested party is not known, the ~~county clerk~~ PERSON REQUIRED TO GIVE NOTICE shall, within the period described in subsection (1), or not less than 60 days or more than 90 days prior to the date upon which the county treasurer will otherwise issue a tax deed, whichever is appropriate, publish once a week for 2 successive weeks in the official newspaper of the county or such other newspaper as the board of county commissioners may by resolution designate, a notice containing the information contained in subsection (6), plus:

(a) the name of the interested party for whom the

address is unknown;

(b) a statement that the address of the interested party is unknown;

(c) a statement that the published notice meets the legal requirements for notice of a pend tax deed issuance; and

(d) a statement that the interested party's rights in the property may be in jeopardy.

(6) The notices required by subsections (1) through (3) and (5) must contain the following:

(a) a statement that a property tax lien exists on the property as a result of a property tax delinquency;

(b) a description of the property on which the taxes are or were delinquent, which description must be the same as the description of the property on the tax sale certificate or in the record described in [section 8(2)(b)];

(c) the date that the property taxes became delinquent;

(d) the date that the property tax lien attached as the result of a tax sale;

(e) the amount of taxes due, including penalties, interest, and costs, as of the date of the notice of pending tax deed issuance, which amount must include a separate listing of the delinquent taxes, penalties, interest, and costs that must be paid for the property tax lien to be

liquidated;

(f) the name and address of the purchaser;

(g) the name of the assignee if an assignment was made as provided in [section 11];

(h) the date that the redemption period expires or expired;

(i) a statement that if all taxes, penalties, interest, and costs are not paid to the county treasurer on or prior to the date on which the redemption period expires or on or prior to the date on which the county treasurer will otherwise issue a tax deed that a tax deed may be issued to the purchaser on the day following the date on which the redemption period expires or on the date on which the county treasurer will otherwise issue a tax deed; and

(j) the business address and telephone number of the county treasurer who is responsible for issuing the tax deed.

(7) In all cases, proof of notice in whatever manner given must be filed by the county clerk, COUNTY TREASURER, purchaser, or assignee, as appropriate, with the county clerk not less than 30 days following the mailing or publication of the notice. Once filed, the proof of notice is prima facie evidence of the sufficiency of the notice.

(8) A county or any officer of a county may not be held liable for any error of notification.

NEW SECTION. Section 22. Form of tax deed -- prima facie evidence. (1) The form of a tax deed issued under the provisions of [sections 16 through 26], executed by a county treasurer, must be made in substance as follows:

This deed is made by .... (name of county treasurer), county treasurer of the county of .... (name of county), in the state of Montana, to .... (name of purchaser, his agent, or assignee), as provided by the laws of the state of Montana:

Whereas, there was assessed for .... (year) the following real property: (description of the property); and

Whereas, the taxes for .... (year) levied against the property amounted to $....; and

Whereas, the taxes were not paid and a property tax lien for the payment of the taxes attached and was sold to .... (name of purchaser, his agent, or assignee) on .... (date, including year) for the sum of $...., which amount included delinquent taxes in the amount of $...., penalties in the amount of $...., interest in the amount of $...., and other costs in the amount of $....; and

Whereas, a tax sale certificate was duly issued and filed or the sale otherwise recorded as required by law; and

Whereas, not less than 60 days or more than 90 days prior to this date, notice was given to interested parties that the issuance of a tax deed was pending.

Now, therefore, I, ... (treasurer's name), county treasurer of the county of ...., in the state of Montana, in consideration of the sum of $.... paid, hereby grant to .... (name of purchaser, his agent, or assignee) all the property situated in .... County, state of Montana, described herein above.

Witness my hand on this date .... (date, including year).

..... County Treasurer

..... County

(2) A tax deed executed in substantially the form provided in subsection (1) is prima facie evidence that:

(a) the property was assessed as required by law;

(b) the taxes were levied in accordance with law;

(c) the taxes were not paid when due;

(d) notice of tax sale was given and a property tax lien was sold at the proper time and place as provided by law;

(e) the property was not redeemed, and proper notice of a pending tax deed issuance was made as required by law;

(f) the person who executed the deed was legally authorized to do so; and

(g) if the real property was sold to pay delinquent taxes on personal property, the real property belonged to the person liable to pay the personal property tax.

NEW SECTION. Section 23. Effect of deed. (1) A deed issued under {sections 16 through 26} conveys to the grantee absolute title to the property described therein as of the date of the expiration of the redemption period, free AND CLEAR of all LIENS AND encumbrances ~~and clear of any and all claims~~, except:

(a) when the claim is payable after the execution of the deed and:

(i) a property tax lien attaches subsequent to the tax sale; or

(ii) a lien of any special, rural, local improvement, irrigation, or drainage assessment is levied against the property;

(b) when the claim is an easement ~~by a utility~~, SERVITUDE, COVENANT, RESTRICTION, RESERVATION, OR SIMILAR BURDEN LAWFULLY IMPOSED ON THE PROPERTY; or

(c) when an interest in the land is owned by the United States, this state, or a subdivision of this state.

(2) Under the conditions described in subsection (1), the deed is prima facie evidence of the right of possession accrued as of the date of expiration of the period for redemption or the date upon which a tax deed was otherwise issued.

NEW SECTION. Section 24. Action to quiet title to tax deed -- notice. (1) (a) In an action brought to set aside or

annul any tax deed or to determine the rights of a purchaser to real property claimed to have been acquired through tax proceedings or a tax sale, the purchaser, upon filing an affidavit, may obtain from the court an order directed to the person claiming to:

(i) own the property;

(ii) have any interest in or lien upon the property;

(iii) have a right to redeem the property; or

(iv) have rights hostile to the tax title.

(b) The person described in subsections (1)(a)(i) through (1)(a)(iv) is hereafter referred to as the true owner.

(c) The order described in subsection (1)(a) may command the true owner to:

(i) deposit with the court for the use of the purchaser:

(A) the amount of all taxes, interest, penalties, and costs that would have accrued if the property had been regularly and legally assessed and taxed as the property of the true owner and was about to be redeemed by the true owner; and

(B) the amount of all sums reasonably paid by the purchaser following the order and after 3 years from the date of the tax sale to preserve the property or to make improvements thereon while in the purchaser's possession, as

the total amount of the taxes, interest, penalties, costs, and improvements is alleged by the plaintiff and as must appear in the order; or

(ii) show cause on a date to be fixed in the order, not exceeding 30 days from the date of the order, why such payment should not be made.

(2) The affidavit must list the name and address of the true owner and whether he is in the state of Montana, if known to the plaintiff, or state that the address of the true owner is not known to the plaintiff.

(3) (a) The order must be filed with the county clerk and a copy served personally upon each person shown in the affidavit claiming to be a true owner and who is, at that time, known to be in the state of Montana.

(b) Jurisdiction is acquired over all other persons by:

(i) publishing the order once in the official newspaper of the county;

(ii) posting the order in three public places in the county at least 10 days prior to the hearing; and

(iii) giving a copy to the county treasurer.

NEW SECTION. Section 25. Procedure in tax deed quiet title action. (1) Upon the hearing of the order to show cause, the court has jurisdiction to determine the amount to be deposited and to make an order that the same be paid to

the court within a period not exceeding 30 days after the order is made.

(2) (a) Except as provided in subsection (2)(b), if the amount is not paid within the time fixed by the court, the true owner is considered to have waived any defects in the tax proceedings and any right of redemption. In the event of waiver, the true owner has no claim of any kind against the state or purchaser and a decree must be entered in the action quieting the title of the purchaser as against the true owner.

(b) The proceedings are void if the taxes were not delinquent or have been paid.

(3) If payment is made to the court and the true owner is successful in the action and the tax proceedings are declared void, the amount deposited with the court must be paid to the purchaser.

(4) If the purported true owner is not successful in the action and the title of the purchaser is sustained, the money must be returned to the purported true owner.

(5) In any action brought by a purchaser to quiet title, several tracts of land, whether contiguous or noncontiguous or owned by different defendants, may be set forth in one complaint. All persons claiming any title to, interest in, or lien upon any of the premises or any part thereof may be joined as defendants, even though their

claims are independent, are not in common, and do not cover the same tracts. The procedure in such an action must follow, as nearly as practicable, the procedure specified in 70-28-101 through 70-28-109.

(6) In the final judgment, the court shall also determine the rights resulting from any additional taxes on the property accruing or being paid by either party during the pendency of the suit.

(7) In the quiet title action, the court has complete jurisdiction to fix the amount of taxes that should have been paid, including penalties, interest, and costs, and to determine all questions necessary in granting full relief, including the power to order any assessor or other tax officer to make and certify to the court a corrected or new assessment or to do any other act necessary to enable the court to do complete justice. Errors may be reviewed on appeal from the final judgment.

NEW SECTION. Section 26. Title conveyed by deed -- defects. (1) All deeds executed more than 3 years after the applicable tax sale convey to the grantee absolute title to the property described in the deed as of 3 years following the date of sale of the property interest at the tax sale.

(2) The conveyance includes:

(a) all right, title, interest, estate, lien, claim, and demand of the state of Montana and of the county in and

to the property; and

(b) the right, if the tax deed, tax sale, or any of the tax proceedings upon which the deed may be based are attacked and held irregular or void, to recover the unpaid taxes, interest, penalties, and costs that would accrue if the tax proceedings had been regular and it was desired to redeem the property.

(3) The tax deed is free of all encumbrances except as provided in {subsections (1)(a) through (1)(c) of section 23}.

(4) A tax deed is prima facie evidence of the right of possession accruing as of the date of the expiration of the redemption period described in {section 16}.

(5) If any tax deed or deed purporting to be a tax deed is issued more than 3 years and 30 days after the date of the sale of the property interest at the applicable tax sale, the grantee may publish in the official newspaper of the county, once a week for 2 consecutive weeks, a notice entitled "Notice of Claim of a Tax Title". The notice must:

(a) describe all property claimed to have been acquired by a tax deed;

(b) contain an estimate of the amount due on the property for delinquent taxes, interest, penalties, and costs;

(c) contain a statement that for further specific

information, reference must be made to the records in the office of the county treasurer;

(d) list the name and address of record of the person in whose name the property was assessed or taxed; and

(e) contain a statement that demand is made that the person assessed or taxed must, within 30 days after the first publication of the notice, pay to the claimant or to the county treasurer for use by the claimant the amount of taxes, interest, penalties, and costs as the same appear in the records of the county treasurer or bring a suit to quiet the true owner's title or to set aside the tax deed.

(6) A mistake in the amount or in any name specified in the notice does not invalidate the notice.

(7) (a) If within the 30-day period the taxes, interest, penalties, and costs are not paid or a quiet title action is not brought, all defects in the tax proceedings and any right of redemption is considered waived. Except as provided in subsection (7)(b), after the 30-day period the title to the property described in the notice and in the tax deed is valid and binding, irrespective of any irregularities, defects, omissions, or total failure to observe any of the provisions of the laws of Montana regarding the assessment, levying of taxes, or sale of property for taxes and the giving of notices, whether or not such irregularities, defects, omissions, or failures could

void the proceedings.

(b) The proceedings in subsection (7)(a) are void if the taxes were not delinquent or have been paid.

Section 27. Section 7-6-4414, MCA, is amended to read:

"7-6-4414. Sales for delinquent taxes when county collects municipal tax. (1) All publications of sales for delinquent taxes shall include city or town taxes. There is only one sale for each piece of property. The sale shall cover the aggregate of city or town, county, and state taxes, with the penalties, interest, and cost of advertising provided by law.

(2) All money received from sales ~~and--redemptions~~, after a deed is given by the county treasurer as provided by law, shall be credited to the state, county, and city or town pro rata in the same proportions as provided in ~~15-18-108~~ [section 10]."

Section 28. Section 7-21-2104, MCA, is amended to read:

"7-21-2104. Lien arising from license. (1) All property held or used in any trade, occupation, or profession for which a license is required by the provisions of this part is liable for such license and subject to a lien for the amount thereof. This lien has precedence of any other lien, claim, or demand.

(2) If any person fails or refuses to procure a

license before the transaction of the business specified, the county treasurer must seize such property or any other property belonging to such person and sell the same in the manner provided in ~~15-17-901--through--15-17-903~~ [section 15]."

Section 29. Section 15-16-101, MCA, is amended to read:

"15-16-101. Treasurer to publish notice -- manner of publication. (1) Within 10 days after the receipt of the assessment book, the county treasurer must publish a notice specifying:

(a) that one-half of all taxes levied and assessed will be due and payable before 5 p.m. on November 30 next thereafter or within 30 days after the notice is postmarked and that unless paid prior ~~thereto~~ to that time the amount then due will be delinquent and will draw interest at the rate of 5/6 of 1% per month from and after such delinquency until paid and 2% will be added to the delinquent taxes as a penalty;

(b) that one-half of all taxes levied and assessed will be due and payable on or before 5 p.m. on May 31 next thereafter and that unless paid prior to ~~said-date-said~~ that time the taxes will be delinquent and will draw interest at the rate of 5/6 of 1% per month from and after such delinquency until paid and 2% will be added to the

delinquent taxes as a penalty; and

(c) the time and place at which payment of taxes may be made.

(2) He must send to the last-known address of each taxpayer written notice, postage prepaid, showing the amount of taxes and assessments due the current year and the amount due and delinquent for other years. The written notice shall include:

(a) the taxable value of the property;

(b) the total mill levy applied to that taxable value;

(c) the value of each mill in that county;

(d) itemized city services and special improvement district assessments collected by the county;

(e) the number of the school district in which the property is located; and

(f) the amount of the total tax due that is levied as city tax, county tax, state tax, school district tax, and other tax.

(3) The municipality shall, upon request of the county treasurer, provide the information to be included under subsection (2)(d) ready for mailing.

(4) The notice in every case must be published once a week for 2 weeks in ~~some~~ a weekly or daily newspaper published in the county, if there is one, or if there is not, then by posting it in three public places. ~~The failure~~

Failure to publish or post notices does not relieve the taxpayer from any of his liabilities. Any failure to give notice of the tax due for the current year or of delinquent tax will not affect the legality of the tax."

Section 30. Section 15-16-102, MCA, is amended to read:

"15-16-102. Time for payment -- penalty for delinquency. All taxes levied and assessed in the state of Montana, except assessments made for special improvements in cities and towns payable under 15-16-103 and assessments made on new production as provided in Title 15, chapter 23, part 6, and payable under 15-16-121, shall be payable as follows:

(1) One-half of the amount of such taxes shall be payable on or before 5 p.m. on November 30 of each year, or within 30 days after the notice is postmarked, whichever is later, and one-half on or before 5 p.m. on May 31 of each year.

(2) Unless one-half of such taxes are paid on or before 5 p.m. on November 30 of each year, or within 30 days after the notice is postmarked, whichever is later, then such amount so payable shall become delinquent and shall draw interest at the rate of 5/6 of 1% per month from and after such delinquency until paid and 2% shall be added to the delinquent taxes as a penalty.

(3) All taxes due and not paid on or before 5 p.m. on May 31 of each year shall be delinquent and shall draw interest at the rate of 5/6 of 1% per month from and after such delinquency until paid and 2% shall be added to the delinquent taxes as a penalty.

(4) If the taxes become delinquent, the county treasurer may not accept ~~partial LESS THAN TOTAL~~ A PARTIAL payment ~~of~~ EQUAL TO the delinquent taxes, ~~but may accept only the total amount of delinquent taxes, including penalties, interest, and costs~~ SUBJECT TO THE FOLLOWING:

~~(A) THE COUNTY TREASURER MAY NOT ACCEPT LESS THAN 1 YEAR'S DELINQUENT TAXES, PLUS ALL PENALTIES AND INTEREST DUE ON THE DATE OF THE DELINQUENT PAYMENT; AND~~

~~(B) PROVIDED THAT EACH PARTIAL PAYMENT EQUALS THE TOTAL AMOUNT OF DELINQUENT TAXES, PENALTY, AND INTEREST FOR ONE OR MORE INDIVIDUAL TAX YEARS, NO PARTIAL PAYMENT OF LESS THAN A PUBLIC TAX YEAR FOR ANY INDIVIDUAL YEAR MAY BE MADE, SUBJECT TO THE FOLLOWING:~~

~~(A) THE COUNTY TREASURER MAY NOT ACCEPT LESS THAN 1 YEAR'S DELINQUENT TAXES, PLUS ALL PENALTIES AND INTEREST DUE ON THE DATE OF THE DELINQUENT PAYMENT; AND~~

~~(B) PROVIDED THAT EACH PARTIAL PAYMENT EQUALS THE TOTAL AMOUNT OF DELINQUENT TAXES, PENALTY, AND INTEREST FOR ONE OR MORE INDIVIDUAL TAX YEARS, NO PARTIAL PAYMENT OF LESS~~

~~THAN A PUBLIC TAX YEAR FOR ANY INDIVIDUAL YEAR MAY BE MADE, THE TAXES DUE FOR THE TAX YEAR THAT IS DELINQUENT THE LONGEST SHORTEST LONGEST MUST BE PAID BEFORE ANY SUBSEQUENT PRIOR SUBSEQUENT YEAR,~~ INCLUDING PENALTY AND INTEREST FOR ONE OR MORE FULL TAXABLE YEARS PROVIDED BOTH HALVES OF THE CURRENT TAX YEAR HAVE BEEN PAID. PAYMENT OF DELINQUENT TAXES MUST BE APPLIED TO THE TAXES THAT HAVE BEEN DELINQUENT THE LONGEST."

Section 31. Section 15-16-111, MCA, is amended to read:

"15-16-111. Personal property -- duty of department. (1) It ~~shall be~~ is the duty of the department of revenue or its agent, upon discovery of any personal property in the county the taxes upon which are not a lien upon real property sufficient to secure the payment of such taxes, to immediately and in any event not more than 5 days thereafter make a report to the treasurer, setting forth the nature, kind, description, and character of such property in such a definite manner that the treasurer can identify the same, the amount and assessed valuation of such property, where the same is located, the amount of taxes due thereon, and the name and address of the owner, claimant, or other person in possession of the same.

(2) Where such personal property is located in any city or town which ~~shall have~~ has provided by ordinance for

the collection of its taxes for general, municipal, and administrative purposes by its city treasurer or town clerk, the department also and at the same time shall furnish to ~~said~~ the city treasurer or town clerk a duplicate of ~~such~~ the notice to the county treasurer. For the purpose of determining the taxes due on ~~such~~ personal property, the department or its agent must use the levy made during the previous year."

Section 32. Section 15-16-112, MCA, is amended to read:

"15-16-112. Department report of personal property in assessment book. The department of revenue or its agent must note on the assessment book, opposite the ~~names~~ name of each person owning, claiming, or possessing ~~such~~ personal property which ~~may be so~~ is reported to the treasurer under 15-16-111, the fact that ~~such~~ the report was made to the treasurer and the date when the ~~same~~ report was ~~so~~ made."

Section 33. Section 15-16-113, MCA, is amended to read:

"15-16-113. Personal property -- duty of treasurer -- penalty. (1) The county treasurer shall collect taxes on all personal property and, in the case provided in 15-16-111, shall immediately upon receipt of the report prescribed by 15-16-111 notify the person or persons against whom the tax is assessed and any person who has a properly perfected

security interest of record with the department of justice that the amount of ~~such~~ the tax is due and payable at the county treasurer's office.

(2) The county treasurer shall, at the time of receiving the report and in any event within 30 days from the receipt of such report, levy upon and take into his possession the personal property against which a tax is assessed or any other personal property in the hands of the delinquent taxpayer and proceed to sell the same in the same manner as property is sold on execution by the sheriff.

(3) The county treasurer ~~may~~ shall, for the purpose of making the levy and sale, direct the sheriff to make the levy and sale. The sheriff, undersheriff, or any deputy sheriff of the county is ex officio a deputy county treasurer for such purposes, and either may act and receive payment of such taxes. The sheriff may receive the same fees as he is entitled to in making a seizure and sale ~~under execution~~ as provided in [section 15].

~~(2)~~(4) The county treasurer and his sureties are liable on his official bond for all taxes on personal property remaining uncollected by reason of the willful failure and neglect of the treasurer to levy upon and sell such personal property for the taxes levied thereon.

(5) Failure by the sheriff, undersheriff, or deputy sheriff acting as a deputy county treasurer to make the levy

and sale results in a levy against the official bond of the sheriff, undersheriff, or deputy sheriff for payment of the delinquent tax."

Section 34. Section 15-16-114, MCA, is amended to read:

"15-16-114. Rate of taxation -- personal property. (1) All rates of tax levy set by the board of county commissioners on the second Monday in August of each year shall apply permanently to this class of personal property during the ensuing tax year~~,--and-the~~.

(2) The treasurer shall, upon collection of any such taxes, immediately distribute the money so collected to the various and proper funds in his charge.

~~(2)--If-the-rate-of-taxation--fixed--for--the--year--in which--the--collection--is--made--is--an--increase--over-the preceding--year's--levy,--then--the--said--board--of--county commissioners-may-direct-the-county-treasurer-to-collect-the amount-of-such-increased-levy-but-shall-not-be-obliged-to-do so--in-cases-where,-in-the-opinion-of-the-board,-the-cost-of collection-would-exceed-the-amount-of-such-increase.--If--the rate--fixed--for--the--year--in-which-the-collection-is-made shall-be-less-than-the-levy-for-the-preceding-year,-then-the person-from-whom-such-excess-tax-was-collected-may-file-with the-board-of-county-commissioners-a-duly-verified-claim--for a-refund-of-such-excess-tax-at-any-time-before-November-1-of~~

~~the--year--in--which--such-an-excess-was-collected,-and-such claim-shall-be-allowed-and-ordered--paid--by--the--board--of county-commissioners-to-the-amount-of-such-excess.~~"

Section 35. Section 15-16-115, MCA, is amended to read:

"15-16-115. Treasurer's record of personal property taxes paid. (1) ~~The--treasurer--must,--on~~ On or before December 1 of each year, the treasurer shall note on the assessment book, opposite the name of each person from whom taxes have been collected by him in pursuance of ~~such~~ the report of the assessor, the amount of taxes received and the date of ~~the~~ receipt ~~thereof--or~~.

(2) ~~in--case--such~~ If the taxes have not been collected ~~by--him~~, the treasurer shall note in the assessment book the reason why ~~such~~ collection was not made."

Section 36. Section 15-16-117, MCA, is amended to read:

"15-16-117. Personal property -- treasurer's duty to collect certain taxes on. (1) The county treasurer ~~must~~ shall demand payment of poor taxes, authorized by 53-2-321, and road taxes, authorized by 7-14-2206 or 7-14-2501 through 7-14-2504, of every person liable therefor whose name does not appear on the assessment lists~~,~~. ~~and~~ on On the neglect or refusal of any such person to pay the same, ~~he--must~~ the treasurer shall collect the taxes by seizure and sale of any

property owned by ~~such~~ the person.

(2) These taxes ~~shall~~ must be added upon the assessment lists to other property taxes of persons ~~liable therefor~~ paying taxes upon real and personal property and paid to the county treasurer at the time of payment of other taxes~~,--and--all-personal-property-assessed-against-a-person shall-be-liable-for-the-payment-of-such-taxes~~.

(3) The procedure for the sale of such property by the county treasurer for such taxes ~~shall~~ must be regulated by 15-16-113 and ~~chapter-17,-part-9~~ [section 15]."

Section 37. Section 15-16-301, MCA, is amended to read:

"15-16-301. Delinquent list -- real property. On the third Monday of December and on the third Monday of June of each year, the county treasurer must make a report to the county clerk and recorder in detail, showing the amount of taxes collected and a complete ~~delinquent~~ list of all persons and property then owing taxes~~,-and-the~~. The county clerk and recorder shall compare ~~such~~ the report with the books of the county treasurer and shall keep a record of ~~such~~ the report in his office."

Section 38. Section 15-16-302, MCA, is amended to read:

"15-16-302. Tabulation and transmittal of real property delinquent list. (1) The county treasurer must, at

the time specified in 15-16-301, deliver to the county clerk and recorder a complete delinquent list of all persons and property then owing taxes.

(2) In the list so delivered, all matters and things contained in the assessment book and relating to delinquent persons or property must be set down in numerical or alphabetical order.

(3) The county clerk and recorder must carefully compare the list with the assessment book, and if satisfied that it contains a full and true statement of all taxes due and unpaid, he must ~~foot-up-the~~ total the amount of taxes ~~so~~ remaining unpaid, credit the county treasurer ~~who--acted under-it~~ therewith, ~~and~~ make a final settlement with ~~him~~ the treasurer of all taxes charged against ~~him~~ the treasurer on the assessment book, and ~~must~~ require from ~~him~~ the treasurer an immediate account for any existing deficiency."

Section 39. Section 15-16-303, MCA, is amended to read:

"15-16-303. Treasurer charged with delinquent taxes. After settlement with the county treasurer as prescribed ~~herein~~ in 15-16-302, the county clerk and recorder must charge the treasurer ~~then-acting~~ with the amount of taxes ~~then~~ due on the delinquent tax list and within 3 days thereafter deliver the list, duly certified, to the county treasurer."

Section 40. Section 15-16-305, MCA, is amended to read:

"15-16-305. Disposition of delinquent list. (1) ~~The county--treasurer--must--annually--on~~ On the third Monday of February, ~~attend-at-the--office--of--the--county--clerk--and recorder-with-the-delinquent-list.--The~~ the county clerk and recorder must ~~then--carefully~~ compare the lists with the assessments of persons and property not marked "paid" on the assessment book, ~~and-when~~. If the taxes have been paid, ~~he~~ the county clerk and recorder must note the fact in the appropriate column in the assessment book.

(2) The county clerk and recorder must then administer to the county treasurer an oath, to be written and subscribed in the delinquent list, that every person and all property assessed in the delinquent list on which taxes have been paid have been credited in the list with such payment.

(3) The county clerk and recorder must then ~~foot--up~~ total the amount of taxes remaining unpaid and credit the treasurer with the amount and have a final settlement with ~~him~~ the treasurer. The delinquent list must remain in the county clerk and recorder's office.

(4) At the time mentioned in subsection (1) of this section, the treasurer must make an affidavit, endorsed on the list, that the taxes not marked "paid" have not been paid and that he has not been able to discover any property

belonging to or in possession of the persons liable to pay the sum whereof to collect them."

Section 41. Section 15-16-401, MCA, is amended to read:

"15-16-401. Tax due as a judgment or lien. Every tax has the effect of a judgment against the person, and every lien created by this title has the force and effect of an execution duly levied against all personal property in the possession of the person assessed from and after the date the assessment is made. The county treasurer may issue a writ of execution for delinquent personal property taxes and deliver the ~~same~~ writ to the sheriff. The sheriff shall thereupon proceed upon the ~~same~~ writ in all respects, with like effect, and in the same manner prescribed by law in respect to executions issued against property upon judgments of a court of record and shall be entitled to the ~~same~~ fees ~~for-his-services-in-executing-the-same,-to-be--collected--in the--same--manner~~ provided for in [section 15]. The judgment is not satisfied nor the lien removed until the taxes are paid or the property sold for the payment thereof."

Section 42. Section 15-16-402, MCA, is amended to read:

"15-16-402. Tax on personalty lien on realty -- separate assessment. (1) Every tax due upon personal property is a prior lien upon any or all of such property,

which lien shall have precedence over any other lien, claim, or demand upon such property, and except as hereinafter provided, every tax upon personal property is also a lien upon the real property of the owner thereof ~~from~~ on and after ~~12 midnight of~~ January 1 ~~in~~ of each year.

(2) The taxes upon personal property based upon a taxable value up to and including $1,000 shall be a first and prior lien upon the real property of the owner of such personal property. Taxes upon personal property based upon the taxable value thereof in excess of $1,000 shall be a first and prior lien upon the real property of the owner unless the owner or holder of any mortgage or other lien upon said real property appearing of record in the office of the clerk and recorder of the county where such real property is situated, at or before the time such personal property tax attached thereto, shall have filed the notice hereinafter provided for, in which event the taxes upon such excess of $1,000 of taxable value shall not be a lien on the real property of such owner. It shall be the duty of the county treasurer to issue to any mortgagee or lien holder, upon his request, a statement of the personal property tax due upon the taxable value up to and including $1,000. Personal property taxes upon a taxable value up to $1,000 may be paid, redeemed from a tax sale as by law provided, or discharged separately from any personal property taxes in

excess of such amount. Payment of such taxes upon a taxable value up to $1,000, as herein provided, shall operate to discharge the tax lien upon the personal property of the owner to the extent of such payment in the order that the person paying such tax shall direct.

(3) The holder of any mortgage or lien upon real property who desires to obtain the benefits of this section shall file in the office of the county treasurer of said county a notice giving:

(a) the name and address of the mortgagee and holder of the mortgage or lien;

(b) the name of the reputed owner of the land;

(c) the description of the land;

(d) the date of record and expiration of the mortgage or lien;

(e) the amount thereof; and

(f) a statement that he claims the benefit of the provisions of this section.

(4) Such notice shall be ineffectual as to any taxes which shall have become a lien on real property prior to the filing of such notice as aforesaid. If the mortgage be not paid at maturity, such notice shall thereafter be filed annually unless the mortgage be extended for a definite period to be stated in such notice.

(5) Any owner of a mortgage on real estate upon which

personal property taxes are by this section made a lien, where the owner of such real estate and personal property has failed to pay taxes due upon such real estate and personal property for 1 or more years, may file with the department of revenue or its agent in the county in which such property is located a written request to have the personal property and real estate of the owner separately assessed. Such request must be made by registered or certified mail at least 10 days prior to January 1 in the year for which property is assessed. Upon receipt by the department or its agent of such request, it is hereby made the duty of the department or its agent to make a separate assessment of real and personal property of the owner thereof, and such personal taxes shall not be a lien upon the real estate so mortgaged of the owner thereof, and the personal property taxes shall be collected in the manner provided by law for other personal property."

Section 43. Section 15-16-404, MCA, is amended to read:

"15-16-404. County lien on moneys of taxpayer. The county has a general lien, dependent on possession, upon any moneys in its possession belonging to any taxpayer for any amounts due the county for any delinquent personal property taxes not a lien on real estate of the taxpayer. Due notice shall be given the lien holder, if ~~any~~ known."

Section 44. Section 15-16-504, MCA, is amended to read:

"15-16-504. Evidence at trial. On the trial a certified copy of the assessment signed by the county clerk and recorder of the county where the ~~same~~ assessment was made, with the affidavit of the treasurer thereto attached that the tax has not been paid, describing it as on the assessment book or delinquent list, is prima facie evidence that ~~such--tax-and-the-per-centum~~ the taxes, plus interest, penalties, and costs, are due and entitles him to judgment unless the defendant proves that the tax was paid."

Section 45. Section 15-16-601, MCA, is amended to read:

"15-16-601. Taxes or penalties illegally collected to be refunded. (1) (a) Any taxes, ~~per-centum,-and~~ interest, penalties, or costs paid more than once or erroneously or illegally collected or any amount of tax paid for which a taxpayer is entitled to a refund under 15-16-612 or any part or portion of taxes paid which were mistakenly computed on government bonus or subsidy received by the taxpayer may, by order of the board of county commissioners, be refunded by the county treasurer. Whenever any payment ~~shall--have~~ has been made to the state treasurer as provided in 15-1-504 and it ~~shall~~ afterwards ~~appear~~ appears to the satisfaction of the board of county commissioners that a portion of the

money so paid should be refunded as herein provided, ~~said~~ the board of county commissioners may refund ~~such~~ the portion of ~~said~~ the taxes, interest, penalties, and costs so paid to the state treasurer, and upon the rendering of the report required by 15-1-505 the county clerk and recorder shall certify to the state auditor, in such form as the state auditor may prescribe, all amounts so refunded~~,--and in~~. In the next settlement of the county treasurer with the state, the state auditor shall give the county treasurer credit for the state's portion of the amounts so refunded.

(b) When any part of the taxes, interest, penalties, or costs hereinbefore referred to were levied in behalf of any school district or municipal or other public corporation and collected by the county treasurer, the same may be refunded upon the order of the board of county commissioners.

(c) No order for the refund of any taxes, ~~license fees,--per--centum~~ interest, penalties, or costs under this section shall be made except upon a claim therefor, verified by the person who has paid ~~such tax,--license--fee,--penalty~~ the taxes, interest, penalties, or costs or his guardian or, in case of his death, by his executor or administrator, which claim must be filed within 10 years after the date when the second half of such taxes would have become delinquent if the same had not been paid.

(d) All refunds ordered to be paid by the board of county commissioners ~~shall~~ must be paid by the county treasurer out of the general fund of the county, and the county treasurer shall then make such transfers from other county funds and from state, school district, and other public corporation funds in his possession as may be necessary to reimburse the county general fund for payments made therefrom ~~on account of such other funds~~.

(2) Upon the entering of judgment under 15-2-306, the county commissioners of the affected county shall order a refund of such portion of the taxes ~~or license fees~~ as the state tax appeal board has judged should be refunded."

Section 46. Section 15-16-701, MCA, is amended to read:

"15-16-701. Personal property taxes ten years delinquent -- list. (1) It shall be the duty of each county treasurer to prepare in triplicate and submit to the board of county commissioners of his county, on or before the first Monday of June in each year, a list of personal property taxes ~~which~~ that are not a lien on real estate and ~~which~~ that have been delinquent for 10 years or more. ~~Said~~ The list shall show the following:

(a) name and address of the delinquent taxpayer;

(b) amount of the delinquent ~~tax~~ taxes, plus ~~penalty~~ interest, penalties, and costs, if any; and

(c) the ~~year~~ date the ~~tax~~ taxes became delinquent.

(2) Every county treasurer shall, within the same time, prepare in triplicate and submit to the board of county commissioners of his county a list of all contractual obligations owed to or held by his county for seed grain, feed, or other relief, the collection of which is barred by the statute of limitations~~,~~ provided in 27-2-202(1). ~~Said~~ The list ~~shall~~ must show the following:

(a) the name and address of the person or persons who entered into the contractual obligation;

(b) the name of the contractual obligation, as "seed loan", "feed loan", "promissory note", as ~~the--case--may--be~~ applicable; and

(c) the date of obligation, date when last payment became due, date of last payment thereon, and the date when the collection of the obligation became barred by ~~said~~ the statute of limitations provided in 27-2-202(1)."

Section 47. Section 15-16-702, MCA, is amended to read:

"15-16-702. Cancellation of taxes and obligations -- filing of lists. Upon receipt of such list or lists and within 30 days thereafter, the board of county commissioners shall examine the same and make any necessary corrections. Thereupon, the board of county commissioners shall make its order canceling all such personal property taxes and

contractual obligations contained in ~~such~~ the list or lists, as corrected, required by this part to be canceled and spread such order upon its minutes. ~~Such~~ The order and minutes need not set forth in full the contents of ~~such~~ the list or lists, a proper reference therein for their identification being sufficient. ~~At-the-time-of-making--such order~~ When the order is made, the original or copy of ~~such~~ the list or lists, as corrected, ~~shall~~ must be filed with and as a part of the records of the board. One legible copy thereof ~~shall~~ must be filed with the county clerk and recorder as a public record, and one legible copy thereof ~~shall~~ must be filed with the county treasurer as a permanent record of his office."

Section 48. Section 15-16-703, MCA, is amended to read:

"15-16-703. Adjustment of accounts after cancellation. Upon notification of the ~~above~~ order for cancellation, the county clerk and recorder and county treasurer ~~must~~ shall adjust their taxes-receivable accounts to conform to the ~~said~~ order of cancellation."

Section 49. Section 15-16-704, MCA, is amended to read:

"15-16-704. Certain unpaid taxes uncollectable -- stricken from records. All unpaid taxes~~,--which--constitute~~ constituting a lien on real property in the state, levied

and assessed against real property which have remained delinquent more than 10 years prior to July 1, 1976, whether the levy be by general or special assessment or by the state or any county, city, or political subdivision of the state, are hereby declared to be uncollectable and stricken from the respective tax records."

Section 50. Section 15-23-704, MCA, is amended to read:

"15-23-704. Lien of tax -- enforcement of payment. The tax on gross proceeds from coal shall be levied as taxes on other forms of property, and this tax and the severance tax on coal production are each a lien upon the coal mine and a prior lien upon all personal property and improvements used to produce the coal. These taxes may be collected by the seizure and sale of the personal property on which the tax is a lien as provided under 15-16-113 and ~~chapter--17,--part 9,--or--by-suit-under-15-16-501-and-15-16-502~~ [section 15]."

Section 51. Section 15-24-302, MCA, is amended to read:

"15-24-302. Collection procedure. All property mentioned in 15-24-301 is assessed at the same value as property of like kind and character, and the assessment, levy, and collection of the tax are governed by the provisions of 15-8-408, 15-16-111 through 15-16-115, 15-16-404, ~~chapter--17,--part---9,~~ [section 15], and

15-24-202, as amended, except:

(1) taxation of motor vehicles under 15-24-301(4) to the extent that subsection varies from the general provisions cited above; and

(2) livestock taxation governed by 81-7-104 and Title 81, chapter 7, part 2."

Section 52. Section 76-13-211, MCA, is amended to read:

"76-13-211. Amount due for protection treated as lien. (1) Whenever the department provides forest protection during a forest fire season for any forest land or timber not protected by the owner thereof as required by this part or part 1, the amount due for the forest protection is a lien upon the land or timber which shall continue until such time as the amount due is paid.

(2) The lien has the same force, effect, and priority as general tax liens under the laws of the state and is subject and inferior only to tax liens on the lands. The county attorney of the county in which the land is situated shall on request of the department foreclose the lien in the name of the state and in the manner provided by law, or the county attorney upon the request of the department shall institute an action against the forest landowner in the name of the state in any district or justice court having jurisdiction to recover the debt. The state in the action is

not required to pay any fees or costs to the clerk of the court or justice of the peace. ~~The--complaint--and-all subsequent-proceedings-in-the-action-shall-conform-as-nearly as-practicable-to-those-provided-by-15-16-502.~~

(3) The remedies provided by this section are cumulative and do not affect the other provisions of this part or part 1 for the payment and collection of amounts due to the department."

Section 53. Section 85-7-2152, MCA, is amended to read:

"85-7-2152. Proceeds of sale. Whenever any lot, tract, piece, or parcel of land included within and forming a part of any irrigation district created under the provisions of this chapter or included within any extension of such district is sold by the treasurer of the county where such land is situated in the manner provided by law for the sale of lands for delinquent taxes for state and county purposes and taxes or assessments of the irrigation district form all or a part of the taxes for which such lands are sold, the county treasurer making such sale or sales shall place to the credit of the proper funds of such irrigation district, out of the proceeds of the sale or sales, the total tax or assessment of the irrigation district, inclusive of the interest and penalty thereon as provided for by the general laws relating to delinquent taxes for state and county

purposes, and whenever any such lands are struck off at such sale to the county where they are situated pursuant to the provisions of ~~15-17-207~~ [section 8], the county treasurer of the county must, upon the issuance of the certificate of tax sale to the county, issue to the irrigation district, in its corporate name, a debenture certificate for the amount of taxes and assessments due to the irrigation district from the lands and premises so sold, inclusive of the interest and penalty thereon, which certificate is evidence of and conclusive of the interest and claim of the irrigation district in, to, against, and upon the lands and premises so struck off to the county at the tax sale, and after the issuance of the certificate, the sum named therein and the taxes and assessments of the district evidenced thereby shall bear interest at the rate of 1% a month from the date of the certificate until redeemed in the manner provided for by law for the redemption of the lands sold for delinquent state and county taxes or until paid from the proceeds of the sale of the lands and premises described therein in the manner provided for by law, and duplicates of such certificates so issued to the irrigation district shall be filed in the office of the county clerk and county treasurer of the county with the certificate of tax sale of the lands and premises."

Section 54. Section 85-7-2154, MCA, is amended to

read:

"85-7-2154. Redemption of lands sold. Upon the redemption of any lands so sold for taxes in the manner provided for by ~~15-18-101~~ [sections 16 through 26], the county treasurer of said county, out of the redemption money, shall pay to the holder or holders of such certificate or certificates the sums for which the same were issued, with interest as therein provided to the date of the redemption of said lands."

Section 55. Section 85-7-2155, MCA, is amended to read:

"85-7-2155. Sale by county commissioners when land not redeemed. When the lands and premises so sold for taxes and upon and against which the certificates have been issued for the taxes and assessments of the irrigation district are not redeemed within the time provided for by ~~15-18-101~~ [section 16], the board of county commissioners of the county, within 3 months thereafter, shall cause these lands and premises to be sold as provided for by law, and out of the proceeds of the sale, the county treasurer of the county shall pay to the holder or holders of the certificates the sum for which the same were issued, with interest as provided for to the date of the sale of the lands by the board of county commissioners, and no lands and premises so held by any county and against which the certificates provided for by

this chapter have been issued may, upon such sale, be struck off or sold for a less sum than the amount of taxes and assessments of the irrigation district represented by the certificate, inclusive of the interest thereon, in addition to the state and county taxes, if any, against the same."

Section 56. Section 85-7-2156, MCA, is amended to read:

"85-7-2156. Proceedings where land struck off to county and not redeemed. In case the property so assessed for irrigation district purposes is struck off to the county, as provided for by law, and certificates of the taxes and assessments of said irrigation district issued thereon, as hereinbefore provided for, and the said lands and premises be not redeemed before the next annual assessment for irrigation purposes shall become delinquent thereon, then and in that event ~~(whether--said--lands--and premises--be--again--sold--by--the--county-treasurer-of-said county-or-the-sale-thereof--adjourned--as--provided--for--by 15-17-304--and-15-17-305)~~, like certificates for each year's irrigation district taxes and assessments shall be issued against said land and shall be included in and satisfied by any redemption thereof, with interest as hereinbefore provided for, and shall in like manner be paid from the proceeds of sale of said lands by the board of county commissioners, if the same be not redeemed as provided for

by law."

Section 57. Section 85-7-2163, MCA, is amended to read:

"85-7-2163. ~~Period--of--redemption-----application-for~~ Granting of tax deed. The holder of ~~such~~ the certificate of tax sale ~~of-such-land,-whether-said-holder-be-an-irrigation district--or--individual,--may,--at--any--time---after---the expiration-of-2-years-from-the-date-of-sale-of-said-property for--delinquency,--if-same-has-not-been-redeemed-within-said period-of-2-years-from--date--of--sale--of--said--lands--for delinquency,--apply--to-the-county-treasurer,-as-provided-by law-for-the-issuance-of-a-tax-deed--to--said--property,--and upon--such--application,~~ must be granted a tax deed by the county treasurer ~~shall-issue-such-tax-deed,~~ in the manner and form provided by ~~law,--to--said--holder~~ [sections 16 through 26]."

Section 58. Section 20-15-403, MCA, is amended to read:

"20-15-403. Applications of other school district provisions. (1) When the term "school district" appears in the following sections outside of Title 20, the term includes community college districts and the provisions of those sections applicable to school districts apply to community college districts: 2-9-101, 2-9-111, 2-9-316, 2-16-114, 2-16-602, 2-16-614, 2-18-703, 7-3-1101, 7-6-2604,

7-6-2801, 7-7-123, 7-8-2214, 7-8-2215, 7-8-2216, 7-11-103, 7-12-4106, 7-13-110, 7-13-210, 7-15-4206, 10-1-703, 15-1-101, 15-6-204, 15-16-101, 15-16-60 ~~15-18-108,~~ 15-55-106, 15-70-301, 15-70-322, 17-5-101, 17-5-202, 17-6-103, 17-6-204, 17-6-213, 17-7-201, 18-1-102, 18-1-112, 18-1-201, 18-2-101, 18-2-103, 18-2-113, 18-2-114, 18-2-404, 18-2-432, 18-5-205, 19-1-102, 19-1-811, 22-1-309, 25-1-402, 27-18-406, 33-20-1104, 39-3-104, 39-4-107, 39-31-103, 39-31-304, 39-71-116, 39-71-117, 39-71-2106, 39-71-2206, 40-6-237, 41-3-1132, 49-3-101, 49-3-102, 53-20-304, 77-3-321, 82-10-201, 82-10-202, 82-10-203, 85-7-2158, and 90-6-208 and Rules 4D(2)(g) and 15(c), M.R.Civ.P., as amended.

(2) When the term "school district" appears in a section outside of Title 20 but the section is not listed in subsection (1), the school district provision does not apply to a community college district."

NEW SECTION. Section 59. Repealer. Sections 15-16-116, 15-16-501, 15-16-502, 15-16-505, 15-17-101, 15-17-102, 15-17-111 through 15-17-113, 15-17-201 through 15-17-208, 15-17-301 through 15-17-305, 15-17-311, 15-17-312, 15-17-901 through 15-17-903, 15-18-101 through 15-18-108, 15-18-201 through 15-18-205, 15-18-301 through 15-18-309, and 15-18-401 through 15-18-404, MCA, are repealed.

NEW SECTION. Section 60. Extension of authority. Any existing authority of the department of revenue to make rules on the subject of the provisions of this act is extended to the provisions of this act.

NEW SECTION. Section 61. Transition. (1) ~~For~~ (A) EXCEPT AS PROVIDED IN SUBSECTION (1)(B), FOR the purpose of implementing the provisions of [sections 1 through 26], no tax deed may be applied for or issued during the period between [the effective date of this act] and July 1, 1988.

(B) A TAX DEED MAY BE ISSUED BETWEEN [THE EFFECTIVE DATE OF THIS ACT] AND JULY 1, 1988, IF THE TAX DEED IS ISSUED FOR PROPERTY ON WHICH PROPERTY TAXES ARE DELINQUENT FOR 1982 AND PRIOR YEARS. IN SUCH A CASE THE TAX DEED IS TO BE ISSUED BASED ON THE PROCEDURES PROVIDED FOR IN [THIS ACT].

(2) During the period between [the effective date of this act] and July 1, 1988, the county clerk and county treasurer of each county shall cooperate in identifying all property in their respective counties on which the taxes are delinquent or on which a tax sale certificate or assignment certificate was issued.

(3) Not less than 60 days or more than 90 days prior to July 1, 1988, the county clerk in each county shall give notice, as provided in [section 21], for each property on which the taxes have been delinquent for the 3 preceding

years or more or for which there had been issued a tax sale certificate to the county and for which the board of county commissioners has directed the county treasurer to issue a tax deed.

(4) After January 1, 1988, and before May 1, 1988, the county clerk shall send a notice to each purchaser other than the county and to each assignee who has taken an assignment from the county. The notice must be sent by certified mail and contain a statement apprising the purchaser or assignee of his obligation to give notice as required in [section 21]. The county clerk shall also publish in the official newspaper of the county or such other newspaper as the board of county commissioners may designate a general notice to all purchasers and assignees stating the obligations to the purchaser or assignee regarding the notice required in [section 21].

NEW SECTION. Section 62. Saving clause. This act does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before the effective date of this act.

NEW SECTION. Section 63. Effective date. This act is effective on passage and approval.

-End-

MINUTES OF THE MEETING
TAXATION COMMITTEE
HOUSE OF REPRESENTATIVES
50TH LEGISLATIVE SESSION

March 26, 1987

The meeting of the Taxation Committee was called to order by Chairman Ramirez on March 26, 1987, at 8 a.m. in Room 312B of the State Capitol.

ROLL CALL: All members of the Committee were present, except Rep. Harp, who was excused. Also present was Dave Bohyer, Researcher, Legislative Council.

CONSIDERATION OF SENATE BILL NO. 377: Sen. Mike Halligan, Senate District #26, sponsor of SB 377, said the bill is a policy for a one time only exemption in the fuels tax for school bus contractors.

PROPONENTS OF SENATE BILL NO. 377: Sen. Bob Brown, Senate District #2, said the bill is appropriate under the circumstances and that the Superintendent of Public Instruction supports the bill.

OPPONENTS OF SENATE BILL NO. 377: There were no opponents of SB 377.

QUESTIONS ON SENATE BILL NO. 377: Rep. Williams advised that school budgets would be coming up next year, and asked how the exemption would be handled.

CLOSING ON SENATE BILL NO. 377: Sen. Halligan stated contracts would show specific mileage and could be made available to DOR.

CONSIDERATION OF SENATE BILL NO. 179: Sen. Tom Beck, Senate District #24, sponsor of the bill, said it would eliminate proration of motor vehicle fees with the exception of those with a fee in lieu of taxes.

PROPONENTS OF SENATE BILL NO. 179: Larry Majerus, Administrator, Motor Vehicle Division, Department of Justice, said the bill was requested as a result of the Legislative Auditors' report on county collections, wherein it was discovered that the 50 cent junk vehicle fee was not prorated correctly much of the time. He explained it is easier to eliminate proration of the fee, than to correct county treasurer errors, and that the bill would also apply to noxious seed fees.

CONSIDERATION OF SENATE BILL NO. 355: Sen. Joe Mazurek, Senate District #23, sponsor of the bill, said it was introduced at the request of attorneys who appear before the State Tax Appeals Board (STAB). He stated the bill would amend 15-3-304, MCA, and that tax appeals are clearly a legal issue that can be taken before the district court for interpretation, or on issues of administrative rules, as well as being taken before STAB.

Sen. Mazurek said the bill would require that all legal issues be brought at the time of petition, to the district court, within 90 days of the passage of the bill.

PROPONENTS OF SENATE BILL NO. 335: Ward Shanahan, Chairman of the Tax Lawyers Legislation Committee, said he had about 17 cases before STAB now. He explained that many issues could be disposed of on a legal basis, but STAB can't challenge them unless the issue is "clearly on its face".

John Alke, Montana-Dakota Utilities, stated his support of the bill.

OPPONENTS OF SENATE BILL NO. 335: There were no opponents of the bill.

TECHNICAL COMMENTS ON SENATE BILL NO. 335: Dave Woodyard, Chief Legal Counsel, DOR, said the amendments were worked out in the Senate and that he had no problems with the bill.

QUESTIONS ON SENATE BILL NO. 335: Rep. Williams asked who would make the "legal" determination. Sen. Mazurek replied that either the district court or the Supreme Court would do so, and that the problem is, right now, both sides won't agree to go to court.

Chairman Ramirez asked if this bill were a short-cut to the courts.

Rep. Ellison asked if both the state and appellants would be ahead in many instances. Sen. Mazurek replied they would be.

CLOSING ON SENATE BILL NO. 335: Sen. Mazurek thanked the Committee for their time and consideration of the bill.

CONSIDERATION OF SENATE BILL NO. 162: Sen. Joe Mazurek, Senate District #23, sponsor of SB 162, said the Revenue Oversight Committee undertook the study of delinquent taxes and the tax deeding process, in conjunction with the county treasurers, MACO, MonTax, and others, to determine what

other states have done, and found that they are not much better off than Montana.

Sen. Mazurek explained that the bill would revise Titles 16, 17, and 18, in the first 20 sections of the bill, and said Chapters 15-18, of Title 15, created the majority of confusion in the old tax law. Sen. Mazurek advised the main change is in the tax deeding process itself, creating a three year redemption period and rigorous notification procedure, with an exception that by county commissioner approval, that a deed for property not purchased by a third party can be given, with concern for S.I.D.'s.

Sen. Mazurek told the Committee section 30, on page 39 of the bill, caused consternation in the Senate, because before delinquent property owners could pay taxes on a third year back to keep property from being sold, and the Attorney General's opinion on the matter changed that understanding so that all back taxes must be paid at one time.

Sen. Mazurek said Sen. McCallum came up with a compromise to allow partial payment of delinquent taxes, as long as they are paid for the current year in their entirety. He explained that the taxes must be applied to the year in which they are most delinquent, as partial payments are not entirely satisfactory to county treasurers.

Sen. Mazurek explained the different sections of the bill through section 24, and said the remainder of the bill is technical changes to existing law.

PROPONENTS OF SENATE BILL NO. 162: Cort Harrington, Montana County Treasurers Association, provided copies of Exhibit #9, prepared by Dave Bohyer during the Interim study, and reviewed the changes outlined by Sen. Mazurek.

Greg Jackson, Gene Phillips, and Sandra Whitney, stated their support of the bill.

QUESTIONS ON SENATE BILL NO. 162: Rep. Hoffman asked if the bill addresses the situation in HB 539. Chairman Ramirez advised the bill could be amended to fit, if necessary, and would be looked at during executive session.

CLOSING ON SENATE BILL NO. 162: Sen. Mazurek made no closing comments on the bill.

ADJOURNMENT: There being no further business before the Committee, the meeting was adjourned at 11 a.m.

DAILY ROLL CALL

HOUSE TAXATION COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date March 6, 1987

NAME	PRESENT	ABSENT	EXCUSED
REP. RAMIREZ	✓		
REP. ASAY	✓		
REP. ELLISON	✓		
REP. GILBERT	✓		
REP. HANSON	✓		
REP. HARP		✓	
REP. HARRINGTON	✓		
REP. HOFFMAN	✓		
REP. KEENAN	✓		
REP. KOEHNKE	✓		
REP. PATTERSON	✓		
REP. RANEY	✓		
REP. REAM	✓		
REP. SANDS	✓		
REP. SCHYE	✓		
REP. WILLIAMS	✓		

CS-30

MINUTES OF THE MEETING
TAXATION COMMITTEE
HOUSE OF REPRESENTATIVES
50TH LEGISLATIVE SESSION

April 6, 1987

The meeting of the Taxation Committee was called to order by Chairman Ramirez on April 6, 1987, at 9 a.m., in Room 312B of the State Capitol.

ROLL CALL: All members were present, except Reps. Ellison and Schye, who were excused. Also present was Greg Petesch, Director of Legal Services, Legislative Council. Rep. Ellison paired his votes with Rep. Gilbert. Rep. Schye paired his votes with Rep. Williams.

DISPOSITION OF SENATE BILL NO. 1: Chairman Ramirez advised he was concerned about language on page 7, concerning 8 percent of revenue for coal mined in other states, because no one has any idea what that amount will be and the fiscal note states no applications will be filed for five years.

Rep. Keenan made a motion that SB 1 be TABLED. The motion CARRIED unanimously.

DISPOSITION OF HOUSE BILL NO. 902: Rep. Raney made a motion that HB 902 be TABLED. The motion CARRIED unanimously.

DISPOSITION OF SENATE BILL NO. 44: Rep. Hoffman made a motion that SB 44 be TABLED.

Chairman Ramirez advised the fiscal impact of the bill is $6 million. The motion FAILED, with all members voting aye, except Reps. Ramirez, Williams, Hanson, Gilbert, Ellison, Koehnke, Schye, and Asay, who voted no.

Rep. Gilbert made a motion that SB 44 BE CONCURRED IN.

Chairman Ramirez advised the Committee that the bill's sponsor requested the effective date be amended to July 1, 1987.

Rep. Gilbert made a motion that the effective date of SB 44 be changed to July 1, 1987. The motion CARRIED unanimously.

Rep. Gilbert made a motion that SB 44 BE CONCURRED IN AS AMENDED. The motion CARRIED 11-5 on a roll call vote (attached).

private retirees from $360 to a $3,600 exemption on retirement income.

Chairman Ramirez commented that the state is losing $4 million on this bill. Rep. Harp said he would look into the matter and report back to the Committee by April 7.

Rep. Sands commented that the Committee needs to figure out what would happen to SB 74, if SB 904 passes. Chairman Ramirez advised that if HB 904 passes, SB 74 will not be necessary, and appointed a subcommittee comprised of Reps. Harp, Sands, and Ream to study the matter and report to the Committee on April 7.

DISPOSITION OF SENATE BILL NO. 116: Rep. Gilbert advised that Norris Nichols, Administrator, Motor Fuels Tax Division, DOR, has a staff person who can explain the issue addressed by the bill. He said the bill is well-intentioned and would resolve a bad problem, and requested that the Committee pass on taking action on the bill, until a additional information is received.

Rep. Hoffman made a motion that SB 116 be TABLED. The

Chairman Ramirez suggested that, as an alternative, a subcommittee could be appointed to study the matter. Rep. Raney stated the situation creates unfair competition when Canadians sell gasoline without paying Montana tax. Rep. Hoffman withdrew his motion to TABLE.

Chairman Ramirez appointed Reps. Gilbert, Hanson, and Schye as a subcommittee, to study SB 116 and report back to the Committee.

DISPOSITION OF SENATE BILL NO. 129: Rep. Harp made a motion to TABLE SB 129. The motion CARRIED, with all members voting aye, except Reps. Harrington, Raney, Patterson, and Ramirez, who voted no.

DISPOSITION OF SENATE BILL NO. 162: Rep. Harp made a motion that SB 162 BE CONCURRED IN.

Chairman Ramirez advised that Rep Hoffman was assigned to contact Sen. Mazurek to see if the proposal to incorporate the bill with HB 743 has been addressed, and report back to the Committee.

Rep. Harp withdrew his motion.

DISPOSITION OF SENATE BILL NO. 177: Rep. Keenan made a motion that SB 177 BE CONCURRED IN.

MINUTES OF THE MEETING
TAXATION COMMITTEE
HOUSE OF REPRESENTATIVES
50TH LEGISLATIVE SESSION

April 8, 1987

The meeting of the Taxation Committee was called to order by Chairman Ramirez on April 8, 1987, at 8:30 a.m., in Room 312B of the State Capitol.

ROLL CALL: All members were present. Also present was Greg Petesch, Director of Legal Services, Legislative Council.

DISPOSITION OF SENATE BILL NO. 116: Rep. Gilbert made a subcommittee report on SB 116, and said he believes there is a problem as the bill would cause tax dollars to revert to pipelines or refineries, if next quarter collections are not sufficient. He advised the Committee it is the recommendation of the Subcommittee, that SB 116 be tabled, and that the Committee come up with a resolution to study the matter in Revenue Oversight Committee.

Rep. Williams asked what Motor Fuels Division felt about the Subcommittee recommendation. Rep. Gilbert replied that Motor Fuels Division supports the issue, but it is unfair. He stated it is not known what the answer is, and that he talked with Norris Nichols about license expiration, and was advised it would be cost prohibitive because of abuse.

Rep. Schye asked how the Committee could make certain the Revenue Oversight Committee would look at this issue, because it is a problem.

Rep. Gilbert made a motion to TABLE SB 116. The motion CARRIED unanimously.

DISPOSITION OF SB 162: Rep. Hoffman reported he discussed the incorporation of HB 539, and SB's 162 and 343 with Sen. Mazurek, who put him off, and that he then discussed the situation with Dave Bohyer, Staff Researcher, who is working on the issue.

Rep. Raney made a motion that language be added to line 15, page 2, "as long as the state retains ownership and the property is used exclusively for rail transportation". He told the Committee he was trying to keep rail transportation on that state-owned property, and when such corporations are sufficiently prosperous to do so, they can purchase the land from the state and begin to pay taxes. Rep. Raney included in his motion that "may not" be inserted and "shall" be stricken on line 16, page 2 of the bill.

Greg Groepper stated the Central Montana Railroad is adjunct to fixing up highways, according to DOC.

Rep. Asay asked how the bill would coordinate with highest and best use of state lands. Greg Groepper replied that, so far, he hasn't seen anything from DOC except to keep the tracks from being taken out. He advised that, in the case of RARUS, any profit goes to reimburse the state for the $10 million trust left by Burlington Northern (BN). He said, generally speaking, DOC is trying to serve as an interim holding company with RARUS, and would like to be there with Central Montana Railroad.

Rep. Schye asked if the railroad in Butte is supported by the state. Greg Groepper replied it used to be the Butte, Anaconda, and Pacific Railroad, and was abandoned and later picked up by the state.

Rep. Raney advised that BN owns the railroad at Mission right now, and is paying the taxes on it, but gave the Crazy Mountain Railroad several months to show it can support a viable operation and, if so, would give the property to the state. He explained Crazy Mountain Railroad can't run the line as a nonprofit organization, because it will need several million dollars for beginning operating costs. He said the line would become profit-making for a time and, eventually, revert to agricultural use.

Rep. Ramirez asked if railroad bridges were a part of the track. Greg Groepper replied that bridges are a part of right-of-way, and language should be considered to address the matter. He recommended adding to Rep. Raney's motion that "property" be stricken on line 17, and "right of way and track" be inserted on line 17, page 2. Rep. Raney agreed to incorporate the amendment into his motion to amend the bill.

Rep. Keenan asked how RARUS would be taxed. Greg Groepper replied that it would be centrally assessed, as the rolling stock is owned by RARUS, and the state only owns the rights-of-way now. He explained that with Rep. Raney's suggestion, RARUS tax volume would be reduced by the value of the track. He said there is no provision right now in the statutes, for exemptions for railroads.

Rep. Raney's motion to amend CARRIED unanimously.

Rep. Raney stated he was bothered by the idea of the state getting into the railroad business.

Rep. Hoffman asked what the state's liability problem would be. Chairman Ramirez replied liability is usually the responsibility of the lessee.

Rep. Raney made a motion that SB 272 BE CONCURRED IN AS AMENDED. The motion CARRIED unanimously.

DISPOSITION OF SENATE BILL NO. 150: Rep. Hanson made a motion that SB 150 BE CONCURRED IN.

Rep. Williams asked Chairman Ramirez how SB 150 would fit with his bill. Chairman Ramirez replied it does the same thing, but for a completely different reason.

Rep. Williams asked if the bill requires that DOR provide new information on realty transfer certificates to the public. Chairman Ramirez advised that information might be difficult for individuals to obtain on their own.

Rep. Patterson stated DOR does not accept any appraisals other than its own.

Rep. Raney commented it is not worth $800,000 in taxpayer dollars, and that that bill he and Chairman Ramirez co-sponsored would take care of the problem.

Chairman Ramirez advised that all sales assessment ratios should be taken out of SB 150, because they are covered in the Ramirez-Raney bill, and most of the cost of SB 150 is in this area. He commented that the remainder of the bill would cost very little to administer.

Rep. Hoffman stated he didn't believe SB 150 is justified, because the information can be obtained from an appraisal office. Rep. Gilbert replied assessments won't show figures, and that it is not that simple.

Rep. Hoffman advised the records are required to be made public. Chairman Ramirez replied that DOR may not reveal exact names or location of property.

Rep. Hoffman made a motion to TABLE SB 150. The motion CARRIED unanimously.

DISPOSITION OF SENATE BILL NO. 383: Rep. Hanson made a motion that SB 383 BE CONCURRED IN.

Chairman Ramirez stated the fiscal note assumes new production, and that the bill has been amended to half the amount stated in the fiscal note, but he believes it really won't stimulate any new production. He said the bill does not address long-range benefits for the exemption for the

DAILY ROLL CALL

HOUSE TAXATION COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date April 8, 1987

NAME	PRESENT	ABSENT	EXCUSED
REP. RAMIREZ	✓		
REP. ASAY	✓		
REP. ELLISON	✓		
REP. GILBERT	✓		
REP. HANSON	✓		
REP. HARP	✓		
REP. HARRINGTON	✓		
REP. HOFFMAN	✓		
REP. KEENAN	✓		
REP. KOEHNKE	✓		
REP. PATTERSON	✓		
REP. RANEY	✓		
REP. REAM	✓		
REP. SANDS	✓		
REP. SCHYE	✓		
REP. WILLIAMS	✓		

MINUTES OF THE MEETING
TAXATION COMMITTEE
HOUSE OF REPRESENTATIVES
50TH LEGISLATIVE SESSION

April 9, 1987

The meeting of the Taxation Committee was called to order by Chairman Ramirez on April 7, 1987, at 8 a.m., in Room 312B of the State Capitol.

ROLL CALL: All members were present, except Reps. Harp and Schye, who were excused. Also present was Greg Petesch, Director of Legal Services, Legislative Council.

DISPOSITION OF SENATE BILL NO. 22: Rep. Ream made a motion that SB 22 BE CONCURRED IN AS AMENDED. The motion CARRIED unanimously. Rep. Harp was asked the carry the bill.

DISPOSITION OF SENATE BILL NO. 228: Rep. Keenan made a motion that SB 228 BE CONCURRED IN.

Greg Petesch advised that Sen. Van Valkenburg had an amendment to change the date on page 4, line 15, from 1990 to 1989. He commented the remainder of the amendments would change the effective and applicability dates.

Rep. Keenan made a motion to approve Sen. Van Valkenburg's amendments. The motion CARRIED unanimously.

Rep. Gilbert asked for an explanation of line 18 on page 2 of the bill. Greg Petesch said the bill splits education and local impact accounts into separate accounts, at a $17.5 million impact, and would provide 20 percent to education. He explained it allows the coal board to award funds they don't need over the coming biennium.

Rep. Gilbert stated he was concerned with the loss of highway funding. Greg Petesch advised that highway funding is addressed on page 2, lines 2-5.

Chairman Ramirez stated an amendment is necessary to show that 6 percent would continue to be deposited until June 30, 1987.

Rep. Sands advised that amendment #7, states sections 2, 8, and 14 are effective on July 1, 1987, and should cover the situation.

Rep. Patterson stated the bill makes a major change to the coal trust, as only the principal deposited will go to the trust.

about $60,000 less in funding. He said the counties still have to come up with a 20 percent match, which has been approved in the Appropriations budget process.

Chairman Ramirez asked if one-half of 1 percent would provide adequate funding, because it would raise about $401,000. Murdo Campbell advised that 3.3 percent is 1.25 percent of the 50 percent allocated, and that it could be reduced to 2.64 percent.

Terry Johnson, OBPP, said the fiscal note is based on Revenue Estimating Advisory Council figures, as well as those of the Revenue Estimating Subcommittee. He explained that those figures are $55 million in FY88 and $60-61 million in FY89, which is a large difference. He added that 1 percent on half of the allocation would raise $55,000.

Chairman Ramirez asked if the Committee would then need to set aside seven-tenths of 1 percent to raise $200,000. Mr. Johnson replied that would be correct, and said it seems the Committee should not make a decision that this issue is a lower priority, which could be taken out later on in the process.

Rep. Williams said he didn't believe the Committee should put its intent in the minutes, concerning task force funding.

Rep. Asay withdrew his earlier motion and made a motion that the Committee approve seven-tenths of 1 percent for the task force. The motion CARRIED with all members voting aye, except Rep. Keenan, who voted no.

Rep. Asay made a motion that SB 228 BE CONCURRED IN AS AMENDED. The motion CARRIED, with all members voting aye except Rep. Keenan, who voted no. Rep. Asay agreed to carry the bill.

DISPOSITION OF SENATE BILL NO. 162: Rep. Williams made a motion that SB 162 BE CONCURRED IN, and said this is the only bill which attempts to address the situation of delinquent taxes, that has met with the approval of most of the county treasurers and assessors.

The motion made by Rep. Williams CARRIED unanimously.

DISPOSITION OF SENATE BILL NO. 74: Rep. Sands made a motion that SB 74 BE CONCURRED IN.

Rep. Ream attempted to explain the differences in the fiscal notes between SB 74 and HB 904. He said the bill would cost $1.956 million with no exemptions, and $5.2 million on the

DAILY ROLL CALL

HOUSE TAXATION COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date Apr 9, 1987

NAME	PRESENT	ABSENT	EXCUSED
REP. RAMIREZ	✓		
REP. ASAY	✓		
REP. ELLISON	✓		
REP. GILBERT	✓		
REP. HANSON	✓		
REP. HARP			✓
REP. HARRINGTON	✓		
REP. HOFFMAN			
REP. KEENAN	✓		
REP. KOEHNKE	✓		
REP. PATTERSON	✓		
REP. RANEY	✓		
REP. REAM	✓		
REP. SANDS	✓		
REP. SCHYE	✓		✓
REP. WILLIAMS	✓		

STANDING COMMITTEE REPORT

APRIL 9 19 87

Mr. Speaker: We, the committee on HOUSE TAXATION

report SENATE BILL NO. 152

☐ do pass
☐ do not pass

☒ be concurred in
☐ be not concurred in

☐ as amended
☐ statement of intent attached

Representative Jack Ramirez Chairman

CARRIED BY REP. WILLIAMS

THIRD reading copy (BLUE)
color

SB 0162/03

SENATE BILL NO. 162

INTRODUCED BY MAZUREK

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE LAWS RELATING TO PROPERTY TAX COLLECTIONS, PROPERTY TAX DELINQUENCIES, AND THE TAX DEEDING PROCESS; AMENDING SECTIONS 7-6-4414, 7-21-2104, 15-16-101, 15-16-102, 15-16-111 THROUGH 15-16-115, 15-16-117, 15-16-301 THROUGH 15-16-303, 15-16-305, 15-16-401, 15-16-402, 15-16-404, 15-16-504, 15-16-601, 15-16-701 THROUGH 15-16-704, 15-23-704, 15-24-302, 20-15-403, 76-13-211, 85-7-2152, 85-7-2154 THROUGH 85-7-2156, AND 85-7-2163, MCA; REPEALING SECTIONS 15-16-116, 15-16-501, 15-16-502, 15-16-505, 15-17-101, 15-17-102, 15-17-111 THROUGH 15-17-113, 15-17-201 THROUGH 15-17-208, 15-17-301 THROUGH 15-17-305, 15-17-311, 15-17-312, 15-17-901 THROUGH 15-17-903, 15-18-101 THROUGH 15-18-108, 15-18-201 THROUGH 15-18-205, 15-18-301 THROUGH 15-18-309, AND 15-18-401 THROUGH 15-18-404, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Definitions. Except as otherwise specifically provided, when terms mentioned in [sections 1 through 26] are used in connection with

THERE ARE NO CHANGES ON SB 162 AND WILL NOT BE REPRINTED. PLEASE REFER TO THIRD READING (BLUE) FOR COMPLETE TEXT.

REFERENCE BILL